PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 449 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-FIFTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2005–2006

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17 July 2006

THE
PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-FIFTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 449**

SIXTEENTH VOLUME OF SESSION 2005-2006

House of Commons

Monday 17 July 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Asylum Seekers

1. **Mr. Stewart Jackson** (Peterborough) (Con): What criteria his Department applies when dispersing asylum applicants across the UK. [85245]

8. **Mr. Adam Holloway** (Gravesham) (Con): What criteria his Department applies when dispersing applicants for asylum across the UK. [85252]

The Minister for Immigration, Citizenship and Nationality (Mr. Liam Byrne): Our aim is to maintain good community cohesion when dispersing asylum seekers, and the arrangements for placing asylum seekers within regions are now considered on a regular basis by a range of stakeholders.

Mr. Jackson: I thank the Minister for that answer. We all know that, until April, it was the deliberate policy of the Home Office to ghettoise asylum seekers by means of the regional language list, to the cost of many areas including my own constituency. What assessment has the Minister made of the impact of the regional language list on assisting failed asylum seekers to avoid deportation?

Mr. Byrne: The hon. Gentleman will know that the language list is no longer in operation. There are 11 dispersal regions around the country and, within those regions, about 60 different dispersal areas. Since 1999, when the Home Secretary took over responsibility for the support of asylum seekers from local authorities, it has become more and more important that decisions about dispersal between the different areas reflect the views of the local authorities in particular, but also of the police, the national health service and voluntary groups. That is exactly why those groups are in place. We will of course keep under review the way in which they work, but they represent a major step forward.

Mr. Holloway: Will the Minister tell us why the national asylum support service's regional language list for allocating asylum seekers to the regions was discontinued?

Mr. Byrne: The answer is quite simple: it is important that a range of criteria be taken into account. Since 1999, when the Immigration and Asylum Act was passed, a particular premium was placed on the availability of accommodation, but other issues have to be taken into account, including the presence of other migrant communities and the availability of services. The various interested parties should therefore consider a range of factors when weighing up these decisions.

Gwyn Prosser (Dover) (Lab): No matter what difficulties are involved with dispersal, they are as nothing compared with the difficulties that were being stored up before 1999 in places such as Dover, before we had a policy of dispersal. Is it not a fact that, as the number of new asylum seekers is reduced, so are the difficulties of dispersal?

Mr. Byrne: My hon. Friend makes an excellent point. This issue is now much easier to address because the number of asylum applicants last year was 20 per cent. lower than in 1997, and in the first quarter of this year, the number of removals hit a record high. None of that has happened by accident. It has happened because we have pushed the right legislative measures through the House, and put through the right level of resources—both of which were opposed by some Members on different sides of the House.

Tony Lloyd (Manchester, Central) (Lab): May I refer my hon. Friend to the case of Mustafa Ismail, as asylum seeker who was convicted of attempted rape and who escaped from custody while being moved from Preston Crown court to a tribunal hearing in Manchester? I do not expect my hon. Friend to comment on the details of the case, but will he cause an inquiry to be held into the circumstances of the escape? Will he specifically ask why 24 hours elapsed before the public were allowed to know that the man, whom the police described as too dangerous to approach, had escaped?

Mr. Byrne: I know that the House will forgive me if I do not comment in detail on the individual case that my hon. Friend has raised. This issue has been flagged up to me, however, and it is a matter of some concern. If my hon. Friend will permit me, I will write back to him with further details, once I am satisfied of them.

Mr. Henry Bellingham (North-West Norfolk) (Con): How many failed asylum seekers are there in this country who are awaiting deportation, and how many does the Minister expect to deport over the next two years?

Mr. Byrne: I suspect that the hon. Gentleman will be aware that, since the phasing out of embarkation controls was undertaken in 1994, it has been difficult to determine precisely how many people have left the country. That is why we have to introduce plans to count everyone in and out of the country, and why we will persist with a tough but fair enforcement of the rules. I know that the Conservatives have either voted against or abstained from voting on key measures that we have put through, although I understand that their Front Bench is now developing a new philosophy on immigration that stands in marked contrast to the one that they put forward in 2005. I hope that they will now support some of the measures that we will propose in the coming months.

Keith Vaz (Leicester, East) (Lab): The best way to reduce the number of asylum seekers who are dispersed around the country is to ensure that the process of dealing with their applications is as speedy and efficient as possible. Since taking on his new responsibilities, the Minister has said that he wants to improve the situation at the immigration and nationality directorate. Bearing that in mind, will he tell the House what immediate steps he has taken to ensure that those applications are being processed, so that my constituents—and those of other right hon. and hon. Members—do not have to wait months or even years for a reply from the Home Office?

Mr. Byrne: My hon. Friend will know that we have embarked on the roll-out of the new asylum model in many parts of the country, which will dramatically accelerate the pace at which decisions are made. That roll-out will be as rapid as possible, as the model is much more effective. My right hon. Friend the Home Secretary will have a great deal more to say on that in the coming days.

Damian Green (Ashford) (Con): If and when the Government come forward with sensible proposals on immigration, we would be happy to back them. Sadly, those opportunities have been pretty thin on the ground in recent years. The Minister is trying to evade the problem—as my hon. Friend the Member for Peterborough (Mr. Jackson) said, the Government's policy until April was to concentrate specific national groups of asylum seekers in certain towns, without proper local consultation. That policy could have been designed to cause unnecessary tension. Can he now assure the House that the new policy will mean genuine dispersal? Any repeat of the previous failure means that he runs the risk of deliberately creating new ghettos, which would be a disaster for both the asylum seekers and the host communities.

Mr. Byrne: I welcome the positive spirit in which the hon. Gentleman has engaged in the debate. As I have said, it is right that decisions on dispersal between the 60-odd areas around the country are informed systematically by the views of local authorities, such as Peterborough city council, which, for example, has decided not to renew its contract for providing support. It is also important that the health service and police have a role in those decisions being taken in the right way.

Mr. Jim Cunningham (Coventry, South) (Lab): Will my hon. Friend reconsider the 13-week period within which most asylum seekers think they will have their claims processed? We often get lots of complaints at surgeries, because asylum seekers think that the Government will give them an answer within 13 weeks, when we all know that that does not happen.

Mr. Byrne: My hon. Friend shares a challenge that I have encountered all too frequently in my constituency. As I told my hon. Friend the Member for Leicester, East (Keith Vaz), however, it is vital that we accelerate the decision-making process in asylum cases, and that is exactly what our plans for the immigration and nationality directorate will set out to achieve.

Sir Patrick Cormack (South Staffordshire) (Con): Can we now have the figures for which my hon. Friend the Member for North-West Norfolk (Mr. Bellingham) asked?

Mr. Byrne: The hon. Gentleman will know that if one cannot count people out of the country, it is theoretically impossible to know how many remain. Although my right hon. Friend the Home Secretary is imbued with many qualities, omniscience is not one of them. He might, of course, correct me on that in a few moments.

Heroin Addicts

2. **John Mann** (Bassetlaw) (Lab): What the average age is of a heroin addict in the UK. [85246]

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): As most heroin addicts lead chaotic, unstructured lives, they are not well represented in national surveys of drug use, so the best information that we have relates to those who are in contact with services. The mean age of individuals in treatment in England in 2004-05, with heroin recorded as the main drug of use, is 31.

John Mann (Bassetlaw) (Lab): In my constituency, among the 400 former addicts treated by GPs—80 per cent.—virtually all those under 30 receive treatment, as has been found in countries such as the Netherlands and Sweden. Can the Minister take a close look at how GP-led prescribing services have managed to get so many people into treatment? Will he also consider the add-on effect that virtually no young people or teenagers become heroin addicts, because the addict role models that they see are grisly old men?

Mr. McNulty: I take on board what my hon. Friend says. The Government are working to ensure that comprehensive packages of support, not just in health but across the piece, are available to those who have come off drugs following treatment. As my hon. Friend does so much in his constituency in this regard, I am more than happy to meet him to discuss grisly old men further.

Mr. Humfrey Malins (Woking) (Con): The Minister will know that probably tens of thousands of young people under 18 are heroin addicts. Given that anybody over 18 who is arrested for what is called a trigger offence, such as theft or burglary, is automatically put through a mandatory drugs test—which is a good thing—why does that requirement not apply to under-18s?

Mr. McNulty: That is an interesting point, which I shall refer to those in the Home Office who are more directly involved in the policy than I am.

We should not run away with the notion that there has been an explosion in heroin use. All available evidence and data suggest that, sad though the position is, in terms of both age groups and the overall quantum the number of users is more or less the same. But the hon. Gentleman's point about the role of under-18s in the criminal justice system is a fair one, which I will convey to my colleagues.

Dr. Brian Iddon (Bolton, South-East) (Lab): Will my hon. Friend liaise with health Ministers with a view to offering all heroin addicts in treatment voluntary screening for blood-borne diseases, especially hepatitis C?

Mr. McNulty: As I said earlier, the Home Office implements a number of measures with a range of colleagues, including those in the health team. As this is a specifically health-related matter rather than a Home Office matter, I will refer it to our colleagues in the health team.

Mr. Philip Hollobone (Kettering) (Con): Most young heroin users start as solvent abusers, perhaps as glue-sniffers. Will the Minister take this opportunity to praise groups such as Solve It, which is based in my constituency and is doing its level best to encourage young people not to engage in solvent abuse?

Mr. McNulty: The hon. Gentleman is right. All groups that try to dissuade young people from embarking on the path of solvent abuse and any subsequent abuse are indeed to be praised considerably, and I join the hon. Gentleman in congratulating the group in his constituency.

Sexual Offenders

3. **Lynda Waltho** (Stourbridge) (Lab): What steps he plans to take to increase the number of sexual offenders who are brought to court. [85247]

The Secretary of State for the Home Department (John Reid): We are committed to rebalancing the system to ensure that there is justice for all victims, including those who have suffered at the hands of sexual offenders. We are already introducing procedures to make it easier for victims of sexual crime to give evidence, we have already invested some £6.5 million in the rape crisis voluntary sector and sexual assault referral centres over the last three years, and we are working with the police and the Crown Prosecution Service to improve the investigation and prosecution of sexual crimes. We are also about to publish plans to rebalance the criminal justice system further in favour of the victim.

Lynda Waltho: I am sure we are all pleased about the positive steps that are being taken, but I am also sure my right hon. Friend agrees that for the victim the ordeal does not end at trial. It is vital for all rape survivors, male and female, to be supported after trials: they must be helped to deal with the after-effects.

I was shocked by recent news that the number of rape crisis centres had halved since 1987. Will my right hon. Friend assure me, and all rape survivors, that the Government recognise the importance of providing that vital support, and will he take steps to deal with the funding aspect?

John Reid: I agree that these are important matters. We are always willing to consider the distribution of funds. I believe that this year we are spending some £350,000 specifically on rape crisis centres. In total, we have spent about £6.5 million on the rape crisis voluntary sector and on sexual assault referral centres over the past three years. We are funding and encouraging other forms of assistance, not least general guidance for police investigations, specialist prosecutors in every CPS area and continual development of the sexual assault referral centre network, but we will of course consider whether we could be doing any more than that.

Anne Main (St. Albans) (Con): Given the public anxiety about serious sexual offenders, is the Home Secretary in a position to tell me whether all those who had committed serious sexual offences and were not considered for deportation were placed on the sex offenders register?

John Reid: They certainly ought to have been. I am not in a position to guarantee that all of them were, but I will give a guarantee to the hon. Lady that I will go back and write to her immediately with a specific answer to her question.

Identity Theft

5. **Miss Anne McIntosh** (Vale of York) (Con): What steps he is taking to tackle identity theft. [85249]

The Parliamentary Under-Secretary of State for the Home Department (Joan Ryan): Identity fraud costs the UK economy at least £1.7 billion each year. We have set up a public-private sector work programme to tackle all aspects of that problem. Our plans for a national identity scheme will also provide people with a highly secure means of protecting their identity.

Miss McIntosh: I am grateful for that answer and for the assistance that the Minister has given me with regard to my constituent, Rev Ted Spiller. In that case, the identity that was required to be supplied by the claimant on applying for redirection of mail was fraudulently used. I understand that she will be having discussions with the Royal Mail, but what precautions does her Department propose to prevent such fraudulent use and abuse of identity and to prevent the spread of identity theft?

Joan Ryan: I commend the hon. Lady for the work she has done on that issue both with the all-party group on identity fraud and on behalf of her constituent, who was the subject of attempted identity fraud. She will know that we have put extensive advice both on our website and in a leaflet that is available, which explains what to do to try to avoid being a victim, or what to do if you are a victim. On 7 June, we brought into force the offences in the Identity Cards Act 2006, which creates a new criminal offence of being in possession of or controlling false identity documents. Those offences will provide the police with additional means to disrupt the activities of organised criminals, terrorists and those supporting them. I understand that, following my meeting with the Royal Mail, it will contact her constituent to discuss those matters further and to learn from his experience.

Andrew Miller (Ellesmere Port and Neston) (Lab): A number of things are going on slightly behind the scenes to combat this dreadful crime, which costs the country a huge sum of money both in terms of the impact on our constituents and the cost to the law enforcement agencies. One of those good things is the get safe online website, which seeks to promote some of the basic steps that individuals and businesses should be taking. Will my hon. Friend look at such schemes and at ways in which they can be promoted more widely, for example, by television advertising, so that more people become aware of the important safeguards that they can put in place to protect their own identity?

Joan Ryan: I will indeed ensure that such actions are co-ordinated. My hon. Friend may find it helpful if I tell him that we have established a network of single points of contact for all police forces and a range of Government Departments and agencies that undertake identity fraud investigations and prosecutions. It is a growing crime. We take it very seriously indeed.

David T.C. Davies (Monmouth) (Con): Can the Minister tell us whether she has any words of comfort for the half a dozen or so prominent and wealthy people who were all expecting to receive a new identity following publication of the new year's honours list, but who now find that their proposed new identities have been grievously snatched away from them? Does she—

Mr. Speaker: Order.

Chris Bryant (Rhondda) (Lab): One of the most common forms of identity fraud at the moment is perpetrated many thousands of times a day when fraudsters send e-mails to people's inboxes asking them for details of their bank accounts. Many people fall for that phishing expedition. Will the Home Office consider investigating that much more closely, because I suspect that many people are too embarrassed to own up to the fact that they have fallen for that fraud?

Joan Ryan: The answer is definitely yes. We are aware of that matter and working on it. I am sure that my hon. Friend and the House are aware that identity management and identity cards are an essential component in the fight against identity fraud. Identity cards will allow financial institutions and other companies to carry out high-value, sensitive or personal transactions to confirm their customers' identity with a high degree of assurance.

Mr. David Ruffley (Bury St. Edmunds) (Con): Of the earlier variant, scaled-down ID card, David Foord, mission critical director at the Office of Government Commerce, wrote on 8 June that it was driven

> "by an arbitrary end date rather than reality"

and he concluded:

> "We are setting ourselves up to fail."

In the light of the continuing card chaos, can the Minister tell us in which year the Home Office will definitely introduce ID cards?

Joan Ryan: The hon. Gentleman is well aware that we have always made it clear that ID cards will be implemented incrementally. They will be phased in, starting with biometric residence permits for foreign nationals in 2008 and rolling out to UK nationals thereafter. The Government's commitment is to their rapid introduction. I repeat—2008.

Mr. Nick Clegg (Sheffield, Hallam) (LD): With 88 million personal data records stolen in the last year from Government computer systems in the United States, including 26.5 million army veterans' records in a single theft, and with reports of civil servants in this country selling hundreds of thousands of records to organised criminals for tax credit fraud, does the Minister agree that holding so much personal information on one single ID card database will—far from dealing with identity theft—be an open invitation to criminals to commit even greater identity fraud?

Joan Ryan: The hon. Gentleman raises some interesting and important points. He will know that the most important aspect of procurement for ID cards and the ID register database is that we get it and the roll-out right, so that the ID store is safe. We are seeking to move to a procurement timetable. The hon. Gentleman will also know that we have undertaken extensive soundings of the market and received sound advice. I hope to be able to publish our findings shortly and they will give him the reassurance he requires, as well as reveal the widespread public support for the ID card system.

David Davis (Haltemprice and Howden) (Con): As we are talking about identity theft, I should stress that I am the other David Davis—*[Laughter.]*

In justifying ID cards, the Government claim that identity fraud costs the clearing banks in the UK Payments Association £504.8 million. The banks say that it costs them less than £37 million. Who is right?

Joan Ryan: One thing we do know is that ID fraud is a growing crime and a growing threat to the security of people's identities. It costs the banks a great deal of money. The right hon. Gentleman might be forgetting—I hope that he is not ignoring—the issues of organised crime and terrorism. It is essential that we get an ID card system in place if we are to tackle those scourges that afflict our society. The challenge for the right hon. Gentleman is to tell us what policies he might have to deal with those problems.

David Davis: I note that I did not get an answer. The Home Office has been accused of exaggerating what ID cards would save by the banks, the insurance companies and even by HM Revenue and Customs, part of their own Government. At best, the project will save little and cost a fortune, but the problem is even worse than that. ID cards are likely to make the problem of identity theft worse, not better—

Andrew Miller: Absolute rubbish.

David Davis: Microsoft's National Technology Office says that ID cards could "trigger massive identity fraud", and one of the FBI's leading identity fraud consultants said that the ID card could be replicated perfectly by criminals within six months—*[Interruption.]* I notice that Labour Back Benchers seem to think that they are more expert than Microsoft and the FBI. In order for the House to be sure, can the Minister guarantee that the ID card will be 100 per cent. secure against fraud—yes or no?

Joan Ryan: The right hon. Gentleman might next blame burglary on burglar alarms. It is a ridiculous contention. Can anybody say that anything is 100 per cent. secure? Opposition Members would have every reason to be sceptical if any Minister made such a claim. ID cards will be a crucial weapon in fighting terrorism, organised crime and identity fraud. The right hon. Gentleman will also know that the information on the card will be kept to a minimum—that which is required. It is biometrics that are so crucial and that will tie a person's identity, meaning that, by testing the biometrics, we can know with absolute confidence that a person is who they say they are. The right hon. Gentleman needs to look again at what policies he has, or has not, for tackling this most serious matter. He will find that the identity cards programme is a valid and viable way forward, and one that the public of this country welcome and support.

Neighbourhood Wardens

7. **Ian Lucas** (Wrexham) (Lab): What assessment he has made of the effectiveness of neighbourhood wardens working in community policing teams in England and Wales. [85251]

The Secretary of State for the Home Department (John Reid): Neighbourhood wardens can be a very important element of a neighbourhood policing plan. An evaluation of 84 warden schemes in 2003 found that they reduced the fear of crime and had a positive impact on the rates of crime.

Ian Lucas: I am grateful for that helpful reply. In Wrexham, neighbourhood wardens are important parts of community policing teams, along with community support officers and police officers. Local residents tell me that they particularly value neighbourhood wardens because of their close relationships with young people in their areas. Can my right hon. Friend assist me with any evidence that would support the proposal by the Liberal Democrat-led local authority to sack the neighbourhood wardens in Wrexham?

John Reid: That is at one with the Liberal Democrats' national position, which is to refuse to back every single measure that improves local police effectiveness and local antisocial behaviour campaigns. As ever, whether on local issues such as this or on their refusal to countenance the means necessary to combat terrorism and organised crime—on ID cards, for example, they share with the Conservative party a reluctance to back the necessary means to combat those things—the Liberal Democrats are always found wanting on the ground. They seem to want to will the ends, but never to will the means.

Nick Herbert (Arundel and South Downs) (Con): We welcome community wardens as part of the mix of neighbourhood policing teams, but rather than the Government providing ring-fenced funding for them, should not chief constables and local communities be able to decide the right balance of wardens, community support officers and police officers for their areas, particularly when the council tax payer now finances more than a fifth of police force spending, which is double the amount funded in 1997?

John Reid: We are, of course, always prepared to look at giving more flexibility and devolving more control. However, it would help if the hon. Gentleman who asks for such flexibility were to support us when we put extra money into having a record number of police officers, or when we put extra money into supporting police community service, or when we put through antisocial behaviour orders, or when we do everything else necessary to supplement neighbourhood wardens in bringing real change in local communities. Once again, we have someone talking tough and voting soft on the Opposition Benches.

National Offender Management Service

9. **David Taylor** (North-West Leicestershire) (Lab/Co-op): If he will make a statement on the performance of the National Offender Management Service. [85253]

The Secretary of State for the Home Department (John Reid): We have today published a written ministerial statement reporting NOMS performance for 2005-06, showing that it has met 22 out of 33 national targets. While that shows significant reductions in prisoner escapes and self-inflicted deaths, it also shows that prisons and probation must do more, and better, to protect the public. The figures make the case for reform, and that is why we are undertaking a review of the criminal justice system to rebalance it back in favour of the victim. That will be published shortly.

David Taylor: Experiences of privatising routine areas of the criminal justice system, such as court escort, tagging and hostel management, have often been shambolic and ultra-expensive. If still in his post when the much delayed NOMS Bill is published next Session, will the Home Secretary ensure that the management of high-risk offenders who pose a risk to the public will not be transferred to a fragmented, profit-driven sector whose purposes make it unfit to deliver a crucial responsibility better handled by the national probation service?

John Reid: As my hon. Friend may know, one of the failures in reaching targets was for management plans in high-risk cases to be completed in five working days. The target was 90 per cent. of cases, but the end-year result was 81 per cent. There has been an improvement since the 67 per cent. figure of last August; the figure in March was 88 per cent., so the trend is in the right direction, but I think that my hon. Friend would agree that from the point of view of the public, who want protection, it is still far short of what we regard as satisfactory. Of course, we will look at how we can improve NOMS, but part of that process will be opening up the service to contestability. We want to make sure that we get the best from the public sector in terms of value for money and effectiveness by using other than the public sector where that is appropriate.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Does the right hon. Gentleman agree that one of the most important performance criteria is the extent of useful out-of-cell activity for prisoners, particularly education and training for employment futures?

John Reid: Yes, indeed. Prison is there to apply punishment and to protect the public, but it should also contribute to a diminution of offending, particularly through rehabilitation. I am delighted to tell the right hon. and learned Gentleman that one of the achievements of the past year, which is part of a balanced picture—I tried to stress that there have been shortcomings as well—is that offenders achieved 79,000 basic skills awards. Those are not peripheral skills; they can often contribute towards offenders making a useful contribution to their own lives as well as to society when they leave prison. Recently, I visited prisoners in Wandsworth who are taking part in plastering and bricklaying schemes there, in conjunction with a major private employer—Laing, the builder, which is providing places for them when they leave prison. Education at all levels, from trades to the academic sphere, is a good thing, not just because it benefits the prisoner, but because if it reduces reoffending and rehabilitates them in society, it helps to protect the public, alongside the protection and punishment that prisons distribute.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): One easy way to be sure that there is no improvement in performance is constantly to destabilise a professional service. I am sure that my right hon. Friend is aware that constantly reiterating the idea that a private firm working for profit can automatically do better than people who have been professional for a long time is a way of ensuring that there is neither co-operation nor understanding.

John Reid: Which is precisely why I have never said that anything or anyone automatically provides a better service. I am not ideologically driven to believe that the private sector is automatically better than the public, so I hope that my hon. Friend is not automatically driven to believe that the public sector is always better than the private.

Mr. Edward Garnier (Harborough) (Con): Could the Home Secretary explain to his friends—his close friends all around him—the difference between contestability and privatisation?

John Reid: Privatisation is the process of handing out a contract to the private sector. Contestability is a process of competition involving both the public and the private sectors. If I can help the hon. and learned Gentleman with any other semantics, I will do so.

Mr. Jim Devine (Livingston) (Lab): My right hon. Friend will be aware that many Members on the Labour Benches are concerned about what he suggests. Going into the private sector is not a public good, private bad argument, but it must be about accountability. If we go into the private sector, whatever problems a company might create, the Government would get the blame regardless.

John Reid: My experience is that if anything goes wrong in the Home Office in the public sector the Government get the blame, which is not necessarily wrong in most cases if strategic and policy decisions are involved—that is where the burden of responsibility should rest. Whether in terms of delivery by the public sector, by an agency at arm's length to the public sector, but still part of the public sector framework, or by a private firm acting as a subcontractor, ultimately the split is between those who deliver operationally and those—the Government—who decide the policy and strategy. I do not really see that there is a huge and significant difference between the two.

Ports

11. **Mr. David Jones** (Clwyd, West) (Con): What assessment he has made of the effectiveness of police protective services at sea ports in (a) north Wales and (b) England and Wales; and if he will make a statement. [85255]

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): The delivery of police protective services in England and Wales, including north Wales, is a matter for the chief police officer of the area concerned, in conjunction with the police authority. The delivery of these services is subject to national policing standards and inspection and is routinely assessed in that fashion.

Mr. Jones: As the Minister will no doubt be aware, the port of Holyhead is the third busiest passenger port in the country and the principal point of entry to north Wales from overseas. Will he therefore please explain why, against the background of a perceived protective services gap and an increased terrorist threat, the single counter-terrorism police grant, on which the north Wales police special branch rely, has been reduced from a notional sum in excess of £3.8 million last year to under £3.7 million this year? We are talking about a reduction of £113,000.

Mr. McNulty: The hon. Gentleman will know—if he does not I am happy to meet him to talk in detail about it—that that is not the only source of counter-terrorism funding for our ports and other aspects of protective services. The future disbursal of that and other such streams are a matter that we currently have under discussion. However, I take his points, and through him, the points made constantly by the North Wales police authority and the chief constable, that there is a real issue in terms of protective services at those sea ports—not least at Holyhead, as he indicates. If he wants to secure a meeting with me to discuss the matter further—perhaps with my hon. Friend the Member for Ynys Môn (Albert Owen)—I am more than happy to take part.

Mr. Gordon Prentice (Pendle) (Lab): Am I the only one to be astonished that partygoers were able to steal a trawler from a port in north Wales to return to Dublin? They were found 12 hours later steaming in the opposite direction, past Anglesey. That raises the question of what the police are doing to make sure that people are not thieving trawlers and other sea-going vessels. How many boats were stolen from around the coast of Britain last year and how many were recovered?

Mr. McNulty: The strict answer to my hon. Friend's first question is, no, he is not the only one who is astonished by such activities. I apologise but I do not have information to hand on his wider points, which I take seriously. I shall write to him in due course on the specifics in relation to north Wales, our ports more widely, and the theft and recovery of said vessels.

Immigration and Nationality Directorate

12. **Mr. Richard Benyon** (Newbury) (Con): If he will make a statement on progress with his Department's review of the handling of asylum and immigration applications by staff at the immigration and nationality directorate. [85256]

The Minister for Immigration, Citizenship and Nationality (Mr. Liam Byrne): The review of the immigration and nationality directorate is looking at how we can improve IND's performance as an organisation overall. The report will be published before the parliamentary recess.

Mr. Benyon: In the light of the so-called sex-for-visas scandal that was exposed by *The Observer* not long ago, does the Minister agree that it takes enormous courage for victims to expose such wrongdoing; and will he tell the House what actions have been taken against the officials concerned?

Mr. Byrne: The precise investigation to which the hon. Gentleman alludes is still ongoing and so I will not comment in detail on it now. He is right to make a broader point. We understand that IND staff are at risk of corruption, because individuals who do not qualify to remain in the UK may seek to do so fraudulently, and it does indeed require some courage for people such as the individual in question to raise the alarm, but that is exactly why we take the issue of counter-fraud so seriously and why we will continue to bear down on any allegations that we receive.

Mark Hunter (Cheadle) (LD): Some 10 weeks ago the private sector provider of the immigration handling facility at Heathrow airport offered me and two Front-Bench colleagues, my hon. Friends the Members for Sheffield, Hallam (Mr. Clegg) and for Hornsey and Wood Green (Lynne Featherstone), an opportunity to visit their facilities at first hand. Since that time and after tortuous communication with Group 4 Securicor, the IND and the Minister's office, we are no nearer to finalising that visit. Since the Home Office and its various branches appear to find it so difficult to arrange such a simple visit, can the Minister really be surprised that it is struggling so badly to do the really complicated things, such as protecting our borders and dealing effectively with immigration?

Mr. Byrne: The hon. Gentleman's information is different from mine. I had understood that that visit had been given not just a green light, but a glowing welcome. If that has not been extended so far, I will personally ensure that it is done when I get back this afternoon.

Sex Abuse Cases

13. **Bob Russell** (Colchester) (LD): What progress has been made in implementing the recommendations of the Home Affairs Select Committee Report on historic sex abuse cases. [85258]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Gerry Sutcliffe): Since the Home Affairs Committee report in 2002, much has been done to improve the way in which investigations of historical child abuse are carried out. In particular, guidance from the Association of Chief Police Officers and the Crown Prosecution Service has been developed to reflect lessons learned from the original investigations, which took place in the late 1990s and early 2000s. The details are in the latest update of our response to the report, which was published in May 2006 and can be found in the House Library.

Bob Russell: I am grateful to the Minister for the encouraging response to the Home Affairs Committee's recommendations. Will the Home Office now address the 100 or so men—they are mostly in their twilight years—who were almost certainly innocent of crimes for which they were framed, for want of a better word, owing to the police methods on which the Committee made recommendations? Will the Minister work with the Criminal Cases Review Commission to speed up the cases of the men, who are almost certainly in prison for crimes that they did not commit?

Mr. Sutcliffe: I am glad that the hon. Gentleman is in the Chamber. I was a little worried that he was not here earlier, so I am glad to see him.

I am glad to acknowledge the work that the hon. Gentleman did on the Home Affairs Committee in 2002. Indeed, he remains a member of the Committee, so he will know of the work that has gone on. We are concerned about getting the balance right between ensuring that convictions are safe and making sure that people who are guilty are convicted. He will be interested to know that 30 per cent. of the people who came forward pleaded guilty after initially saying that they were not responsible. We are confident that the systems that are in place through ACPO and the CPS are providing the right results, and I am happy to work with the hon. Gentleman and the Committee on the future success of the project.

Neighbourhood Policing

16. **Mrs. Joan Humble** (Blackpool, North and Fleetwood) (Lab): What assessment he has made of the effectiveness of neighbourhood policing schemes; and if he will make a statement. [85261]

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): Earlier this year, we published research evidence that showed that neighbourhood policing could deliver significant improvements in crime reduction, perceptions of crime and antisocial behaviour, feelings of safety, and public confidence in the police. In the trial sites, the research found that the reduction in the number of victims of crime was twice as high, and public confidence in the police increased by five times as much, in wards with neighbourhood policing activity compared with similar wards without.

Mrs. Humble: I thank my hon. Friend for that reply. Is he aware that there have been substantial reductions in crime in my constituency, which are largely a result of the investment by Lancashire police in neighbourhood policing? The force has devolved budgets down to basic command units and ensured that there is proper co-ordination through community beat managers. Will my hon. Friend ensure that that sort of good practice is spread around the whole country so that all neighbourhoods can benefit?

Mr. McNulty: I strongly endorse what my hon. Friend says. I have met the Lancashire force over the past number of weeks for various reasons, including neighbourhood policing. I plan to go up there in September to see exactly what is happening in detail. My hon. Friend is absolutely right. Getting as much down to the locality as possible, invoking BCUs, and working closely with local councils through crime and disorder reduction partnerships and other schemes are central to the real force—when it works it can be incredibly powerful—of neighbourhood policing. I congratulate the Lancashire constabulary on what it has done.

Tony Baldry (Banbury) (Con): The recruitment of community support officers in north Oxfordshire is going rather slowly and I suspect that that is because of concerns about their long-term funding. Although the numbers of community support officers in many places look excellent on paper, the recruitment does not always follow the numbers. Will the Minister and the Department monitor how police forces are doing on recruiting and retaining these invaluable officers?

Mr. McNulty: We are monitoring recruitment. The hon. Gentleman makes an entirely fair point about some areas having difficulty with recruitment. We have some 6,300 people now and the numbers are growing, but as the Home Secretary said earlier, quite what the configuration in each area is, or should be, is entirely a matter for the local constabulary. We are committed to ensuring that the right numbers are in place over the coming year. We continue to monitor the situation because the matter has been raised by several forces.

Mr. David S. Borrow (South Ribble) (Lab): My hon. Friend mentioned recent meetings with Lancashire police. Does he agree that the effectiveness of neighbourhood policing schemes would not have been affected had Lancashire police merged with Cumbria police, as both police authorities and most MPs in both counties supported? Does he share my regret that a voluntary merger was not possible following his meeting last week? Will he agree to meet me to discuss the matter further?

Mr. McNulty: I certainly agree that it is a matter of regret that we were not able to get the Lancashire and Cumbria voluntary merger under way. We do not resile from the position from which we started and which was endorsed by the O'Connor report that, ultimately, for many forces in many areas mergers will be the way to go forward. We said at the last Home Office questions on 19 June that we stepped away from enforced mergers, but I take the point that Lancashire and Cumbria, working together in a voluntary merged relationship, would do much to enhance policing in the area, including filling the gaps at level 2. We would have boosted Cumbria's ability to get neighbourhood policing in place up to Lancashire's level, as suggested by my hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble). Part of the reason for going up in September is to talk to both Lancashire and Cumbria about how, following last Monday's meeting, we can take things forward. If we do not resile from the notion that mergers are the answer for many forces, we certainly do not resile from the notion that there remain serious gaps up and down the country in level 2 provision which need filling.

Mr. Graham Stuart (Beverley and Holderness) (Con): On the subject of police mergers, the Minister will be aware that many communities, including those in Beverley and Holderness, feel that neighbourhood policing would be undermined by forced mergers and the costs of that. What is the Minister's assessment of that cost and the impact that it would have on front-line policing in areas such as mine?

Mr. McNulty: Without rehearsing all the arguments about mergers and the report from the inspectorate, I can tell the hon. Gentleman that those in his constituency who suggested that were entirely wrong. They were no doubt misled by him—in his constituency, not in the House, of course; I would not suggest that at all. We still think that sorting out the gaps at level 2—in terms of serious organised crime and counter-terrorism—as indicated in the report would enhance neighbourhood policing rather than otherwise, because every time a significant inquiry or investment of time were needed due to a major incident, the abstraction of neighbourhood policing would not be the very first thing to happen, as is still the case.

Terrorism Act

17. **Lyn Brown** (West Ham) (Lab): What consultation he has undertaken with ethnic minority communities on implementation of the Terrorism Act 2006. [85262]

The Secretary of State for the Home Department (John Reid): The Government undertook a public consultation on the code of practice in connection with the detention of terrorist suspects for a maximum of 28 days. During the parliamentary term and recess, Home Office Ministers visited towns and other places throughout the country. In addition, the independent reviewer of terrorism legislation, Lord Carlile, has been asked to consider the impact of the Terrorism Act 2006 on community and race equality issues.

Lyn Brown: I thank the Home Secretary for that response. I understand that a number of Home Office working groups were set up last summer to discuss matters of community cohesion and ways forward. Despite the fact that I have a very large Muslim and Asian community in my constituency, none of my community was included in those working groups. If we do something similar again, could we look at representation across the country, to ensure that all communities feel that they are represented on such working groups?

John Reid: Yes, I understand my hon. Friend's point. Obviously, I was not involved in the make-up, but even if I had been, I must tell her that it is often impossible to ensure that every constituency is represented. Last year, two Home Office Ministers visited nine cities and towns with significant Muslim populations, where they held workshops and entered discussions. I hope that during the coming recess Home Office Ministers will repeat that experience, and perhaps we can see whether it is possible to have an engagement in my hon. Friend's constituency.

Asylum Seekers

19. **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): What steps he is taking to tackle illegal working by asylum seekers. [85264]

The Minister for Immigration, Citizenship and Nationality (Mr. Liam Byrne): The Government are firmly committed to preventing illegal migrant working and the misuse of our asylum system by those seeking financial advantage rather than protection. We have significantly reduced the number of unfounded asylum claims, increased removals of refused applicants and strengthened controls on illegal working. Our strategy also involves increasing enforcement, encouraging compliance by business and developing joint working between relevant agencies.

Mr. Bailey: I thank the Minister for his reply, but does he agree that that practice puts vulnerable people at the mercy of gangmasters, and undermines wages and working practices for legitimate employees? It is crucial that we target unscrupulous employers who are prepared to exploit such people for their own financial ends, so will he make it a high priority for his Department to target and deal with them?

Mr. Byrne: My hon. Friend's analysis is right. As he will know, in 2004 we widened the number of documents that have to be checked. In the Nationality, Immigration and Asylum Act 2002, we proposed penalties for employers who knowingly employ workers illegally. My hon. Friend will be interested to know that those offences can be tried either way, and the maximum sentence is up to two years in prison or an unlimited fine. We proposed, too, to introduce biometric identity cards for foreign nationals, so that it is easier for employers to check what rights workers have. The measure does not stand on its own—it is part of a package—as we intend to pass the right laws in the House and put the right resources into the hands of the immigration and nationality directorate and relevant agencies.

John Bercow (Buckingham) (Con): Notwithstanding the reply from the Minister of State to the hon. Member for West Bromwich, West (Mr. Bailey), and at the risk of sparking controversy, may I suggest that one way of tackling illegal working by asylum seekers is to increase the scope to make it legal? Given that there are thousands of asylum seekers in the UK who are qualified doctors, dentists and scientists as well as other professionals, does it not make sense to take a slightly more relaxed view and change the law so that those people can use their skills and earn a living for the benefit of the country?

Mr. Byrne: The hon. Gentleman always brings intelligence and insight to our debates, and I very much hope that it will be taken fully into account in the review that the hon. Member for Ashford (Damian Green) is leading on behalf of his party. Under a concession that was updated some years ago, it is possible for asylum seekers to apply for the ability to work after 12 months. In the meantime, it is right that controls remain in place so we do not offer the wrong incentives to attract people to the UK.

National Insurance

20. **Adam Afriyie** (Windsor) (Con): What recent discussions he has had with colleagues at the Department for Work and Pensions on verifying the immigration status of applicants for national insurance numbers. [85265]

The Minister for Immigration, Citizenship and Nationality (Mr. Liam Byrne): Colleagues in the Department for Work and Pensions consulted the Home Office on the decision to strengthen arrangements for issuing national insurance numbers, and we welcomed that approach. In addition, IND officials have been fully engaged in detailed discussions on this matter with their counterparts in DWP on the practical arrangements.

Adam Afriyie: Can the Minister tell the House how many national insurance numbers were issued to individuals who may be working here illegally, and how much tax the Treasury collected from them?

Mr. Byrne: I have already commented on the omniscience, and the limits of it, of my right hon. Friend the Home Secretary and myself. As the hon. Gentleman will know, that information is not available, but it is important that we continue to bear down on illegal working, which is why, in 2004, we tightened the number of documents to which employers must refer when they employ people. We will continue to introduce measures to increase penalties on employers who employ people illegally. It is unfortunate that the Opposition abstained from a decision on those measures. I was leafing through my back copies of—

Mr. Speaker: Order. I suggest that the Minister drop the hon. Member for Windsor (Adam Afriyie) a note.

Essex Police

23. **Mr. Simon Burns** (West Chelmsford) (Con): What representations he has received opposing the merger of the Essex police force. [85269]

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): May I say what a delight it is to see the hon. Gentleman in his place, given that he was not there for the past 58 minutes? Surprisingly few is the immediate answer. I have had the great pleasure of meeting Lord Hanningfield, the leader of Essex county council, to discuss the matter. He was not terribly happy with it. Tomorrow or Wednesday I have the great delight of meeting a series of Essex MPs, including, no doubt, the hon. Gentleman.

Mr. Burns: May I reassure the Minister that in Essex the proposal was disliked root and branch? In view of the confusion that was spread by the comments of his right hon. Friend the Prime Minister last Wednesday, can the Minister confirm, for the sake of clarity, that if a police force such as Essex does not want to merge, it now may not have to merge at all?

Mr. McNulty: Let me give the hon. Gentleman the starting point for clarity. The orders that were tabled with an intent to enforce the mergers have been withdrawn. I cannot give him clarity on the second point, because we have said clearly to all forces throughout the country, "Show us how you will fill very real gaps in level 2 provision." I am sure that the hon. Gentleman is confident that Essex can do that and show how it can co-operate with other police authorities in that regard, but not merge. I look forward with interest to our meeting this week and to the forthcoming proposals for the eastern region.

Middle East

3.31 pm

The Minister for the Middle East (Dr. Kim Howells): With permission, Mr. Speaker, I should like to make a statement on developments in the middle east. I welcome the opportunity to update the House on British activity and policy.

The United Kingdom is gravely concerned by the escalating crisis in Lebanon. Not only does it pose a serious threat to the relationship between the Israeli and Lebanese Governments, but it threatens the wider security of the region and is causing huge harm to the civilian populations, with casualties mounting on both sides. We offer our condolences to the Governments of Lebanon and Israel for the losses that they have suffered and to the families of all those affected.

The United Kingdom is committed to helping resolve the crisis. The Prime Minister has spoken to Lebanese Prime Minister Fuad Siniora and the Foreign Secretary has spoken to the Israeli Foreign Minister, Tzipi Livni. We appreciate the pressures that both Governments are under at this very difficult time, but both have a responsibility to help to end the crisis. Our priority must be to create conditions to allow a ceasefire and to explore quickly how the international community might facilitate a peaceful, diplomatic resolution guaranteed, perhaps, by the deployment of an international force into the area.

Ultimately, the only way to achieve a sustainable solution to the situation in both Gaza and Lebanon is to address the root causes. That means getting back to a state where negotiations can resume on the basis of the Quartet road map. With that objective in mind, the Prime Minister is discussing the crisis with his G8 counterparts at the G8 summit in St. Petersburg. The European Union high representative, Javier Solana, and a UN team representing Secretary-General Kofi Annan have been in Beirut today. We fully support their efforts to broker an end to the conflict and we are also offering both teams logistical assistance on the ground. We are urging all involved parties to do all they can to address the crisis and to prevent the situation from worsening.

We reiterate our call for the urgent release of the kidnapped Israeli soldiers and for an end to attacks on Israeli towns and cities. We urge all those countries with influence over Hezbollah to play their part. We are very concerned about the role of Syria and Iran. Through their support for Hezbollah, they are encouraging extremism, threatening the stability of the region, and putting peace in the middle east further out of reach.

Israel has every right to act in self-defence, but we and the international community have urged it to act in proportionate and measured ways—to conform to international law, to avoid civilian death and suffering and to refrain from acts that destabilise the Lebanese Government. Disproportionate action only escalates an already dangerous situation.

The crisis also underscores the need for the full and sustainable implementation of Security Council resolution 1559, including the importance of the Government of Lebanon exercising their full authority throughout Lebanese territory. That means being able to control the area between Beirut and the Israeli border, which is cursed by militias, such as Hezbollah, whose political masters reside in Damascus and Tehran.

Our most pressing concern in this crisis is the welfare and safety of the thousands of British nationals in Lebanon. We are working day and night with our EU and other international partners towards a properly organised and above all safe arrangement to help British nationals and others for whom we have consular responsibility and who want to leave Lebanon.

We are working closely with the Ministry of Defence on how to help those British nationals who want to leave to do so safely and the House should not underestimate the scale of the task or the numbers involved. The Royal Navy destroyers, York and Gloucester, are now offshore and other vessels, including HMS Illustrious and HMS Bulwark, are heading towards the eastern Mediterranean. A rapid deployment team from the Foreign and Commonwealth Office has arrived in Beirut to assist British nationals together with a military reconnaissance team, which will carry out detailed planning for a possible evacuation.

We judge that departure by sea is the safest and most practical option for British nationals wishing to leave. We are already using British helicopters to transport some of the more vulnerable British nationals to Cyprus. For example, this morning we were able to use UK helicopters, which brought in the rapid deployment team and EU High Representative Solana, to help about 40 of the most vulnerable British nationals to leave.

For the moment, we are advising British nationals in Lebanon to stay put, to exercise caution, to keep in touch with the embassy and to heed local advice. British nationals in Lebanon have been informed that they should listen to the BBC and other English language broadcasts. Our embassy in Beirut is advising British nationals in Lebanon who want to leave to get ready for departure at short notice, including by having travel documents in order.

We also have deep concerns about the situation in Gaza. The escalation in violence since the 25 June attack at the Kerem Shalom crossing has caused great suffering on both sides and mounting casualties. We reiterate our call for the immediate and unconditional release of Corporal Shalit. We also condemn the continued rocket attacks from Gaza on Israeli towns. We have called on the Palestinian Authority to prevent all terrorist attacks, including these rocket attacks, and to work for the release of Corporal Shalit, and we welcome the work President Abbas is doing to achieve that.

Let me repeat that, although we recognise Israel's right to defend itself and to secure the release of Corporal Shalit, we insist that its actions should be proportionate and in accordance with international law, as we, the G8, and the EU have made clear. We continue to have serious concerns regarding the humanitarian situation in Gaza. Israeli military actions have targeted key roads and bridges and damaged the Palestinian civilian infrastructure. We continue to urge Israel to take action to allow the full provision of basic services to the Palestinian people. We welcome the agreement to open the Rafah crossing on 18 July and hope that all those stuck on the Egyptian side of the crossing will be able to enter Gaza. Such cases should

[Dr. Kim Howells]

be resolved as quickly as possible through negotiations. The EU mission at Rafah has played a key role in bringing the sides together and continues to perform an important function under difficult circumstances. We have also made some humanitarian support available to those who have been stuck at the border.

We continue to have concerns about the detention of members of the Palestinian Government and legislature on 29 June. Those detained should be accorded their full legal rights and either be charged or released. We fully support Egyptian efforts to mediate between Israel, the Palestinian Authority and the militias currently holding Corporal Shalit, and we have offered our assistance. Egypt plays a key role in the peace process, and we will continue to work with it. We have also pressed Syria to use its influence on Hamas. I can assure the House that the United Kingdom will continue to work to resolve this crisis.

We need an urgent end to the current crisis, although we know, of course, that real peace can come only through a lasting settlement. As the Prime Minister made clear in St. Petersburg, our priority must be to create the conditions for an early resumption of negotiations. The events that we have witnessed around Israel's borders over the past few days have reaffirmed the great urgency of constructing a lasting settlement and the perils of assuming that there is somehow a military solution to this historic conflict. Negotiation is the only viable way to move the peace process forward.

Our goal remains a negotiated two-state solution achieved through the road map. We must all find a way to work through the current crisis to get back on to that track.

Mr. Keith Simpson (Mid-Norfolk) (Con): I thank the Minister for advance sight of his statement. We join him in offering condolences to the Governments of Lebanon and Israel, and to President Abbas, for the losses that they have suffered, and to the families of those affected.

We are all extremely concerned by these events. The crisis has entered into a new and gravely dangerous phase. What appeared to be a local and contained Israeli-Palestinian confrontation risks becoming a regional conflict. As the Minister said, our first concern is for the welfare and safety of British nationals in Lebanon and Israel. We welcome his statement that the Government are acting to protect British citizens in the area. What number of British citizens and those with dual nationality reside in Lebanon, how many of them applied for evacuation and how many people do the Government envisage having to move to safety?

We welcome the news that two Royal Navy vessels are now off the coast of Lebanon and that two others have been despatched. Can the Minister confirm when the order was originally given for the ships to leave for the Mediterranean?

According to the Foreign Office document, "Information for British nationals in Lebanon", dated yesterday, it is not currently safe for people to try to leave Lebanon. What representations have been made to the Government of Israel to ensure that the lives of British citizens will not be in danger during an evacuation programme? What advice have the Government given to UK citizens in Israel—stay put, or leave?

I understand that the UN Secretary-General's mission is in the region and due to brief the Security Council on Thursday. What support have the Government offered to that mission beyond the logistical support that the Minister mentioned? What are its aims and what action do the Government anticipate from the Security Council?

The G8 statement calls for the "creation of the conditions" that could lead to a cessation of violence. Those include the release of the Israeli hostages, the end of rocket attacks on Israel, the withdrawal of Israeli troops from Gaza and the release of Palestinian parliamentarians. Is it realistic to expect that those conditions can be fulfilled in the absence of a ceasefire and in the context of a rapidly escalating conflict?

What role does the Minister see for diplomacy, particularly with countries such as Egypt, Saudi Arabia and Jordan, to put pressure on Hezbollah and to mediate in the release of the captured Israeli soldiers in Lebanon and in Gaza?

The Prime Minister and the UN Secretary-General have called for an international force to be deployed into southern Lebanon to halt the bloodshed. What discussions have the Government had with the Lebanese Government regarding those proposals? When does the Minister envisage that force being deployed—before or after hostilities have ceased? Would this plan involve a commitment of British troops?

The welfare of innocent civilians caught in the fighting is of great concern to everybody. What representations have the Government made to the Israeli Government about the need to avoid civilian causalities and the destruction of infrastructure in the operations in Gaza and in Lebanon? There are reports of Iran and Syria providing Hezbollah with weaponry that is being used to attack Israel, as the Minister mentioned. What representations have been made to those two countries to test their willingness to bring pressure to bear on Hezbollah?

We note the Government's concerns about the humanitarian situation in Gaza. The G8 has called for an "immediate expansion" of the temporary international mechanism for the delivery of aid to the Palestinians. Will the Minister explain what is envisaged here? What impact is the situation in Gaza expected to have on the delivery of aid and what support is being given urgently to address the humanitarian crisis in the Gaza strip and to speed up the delivery of food and medicine?

It is imperative that we find a route to the resumption of dialogue between all sides. In particular, it is crucial that the dialogue between Palestinian and Israeli political officials resume as soon as possible and that there be a return to negotiations on the basis of a two-state solution, as the Minister said.

In Lebanon, it is imperative that resolution 1559 be enforced, above all in respect of the disbanding and disarmament of all militias, including Hezbollah. What steps will be taken to achieve that and to reinforce the authority of the Lebanese Government in the south of the country? I understand that, later this week, the Government intend to proscribe the military wing of Hezbollah. Will the Minister confirm that that will take place and whether the Government have considered proscribing the political arm of Hezbollah as well?

The middle east is an issue of the utmost importance to international peace and security. The current crisis is likely to have an impact well beyond Lebanon and Gaza. We ought to be very careful that the conflict raging in the middle east does not adversely affect our joint diplomatic efforts to resolve the Iranian nuclear issue and our military presence in Iraq, particularly in the south where Iranian influence remains considerable.

In the last two or three months, we have had a series of debates in Westminster Hall about various aspects of the middle east: Iran's nuclear programme, the Palestinian-Israeli conflict, global terrorism and Israel. Many hon. Members on both sides of the House pressed the Government to hold a debate on the middle east in Government time to explain Government policy on the middle east across the board. I urge the Government to reflect on that and to take urgent action.

Dr. Howells: I thank the hon. Gentleman for his supportive comments; his questions are extremely relevant and germane to the current crisis. At the start of the crisis, 3,500 British families were registered in Lebanon and we have subsequently registered an additional 2,000 individuals, bringing the overall total to approximately 12,000 British nationals. There are also approximately 10,000 dual nationals. We have agreements with Commonwealth states, which means that we have some responsibilities there, too. When we take those numbers into account, the figures become very large. I have heard the situation described graphically in the sense that, if we had to evacuate the numbers that I have just mentioned, it would be the biggest evacuation since Dunkirk.

Directly to answer the hon. Gentleman's question, the welfare and safety of those British nationals is our prime consideration. Four more ships are being dispatched to the eastern Mediterranean and we have made it clear that, in the meantime and as we have been doing up to now, we are putting plans in place to ensure that we get those people away as safely as possible. We have to arrange meeting places and provide transport to take people to the port safely and we have to ensure that the port itself is secured. I know that the Ministry of Defence and its professionals on the ground are carrying out those tasks right now.

The hon. Gentleman asked about the UN mission. At the moment, it is an exploratory mission. I know that the people involved wanted to get in and see the situation for themselves. We have helped them to get there and will no doubt help them to get away, too. The hon. Gentleman is right that we will negotiate closely with the mission about all manner of support that we may be able to offer to help take that work forward.

The hon. Gentleman is right to highlight the importance of Egypt, Saudi Arabia and some other Gulf states in helping to mediate in this crisis. We are meeting them on a daily basis, and we are certainly seeking their help; they have great experience of situations such as the current one, and we need their help now. We are meeting the Lebanese Government on a daily basis. Our ambassador, James Watt, has been working very hard on that front, and my right hon. Friend the Prime Minister has spoken to the Prime Minister of Lebanon.

As for any force that might go in, I want to say very clearly that we do not envisage any British soldiers or other service personnel being part of that. This situation affects the whole world. Everyone is ready to become vocal about securing a middle east peace settlement and there are many nations that must put their armed forces where their rhetoric has been until now.

We have urged Iran and Syria time and again not to supply arms to Hezbollah, or to any other militia in the area. We are very disturbed that the rejectionist groups in Palestine and Hezbollah in southern Lebanon are being armed—with very sophisticated weapons—by Governments and agencies from outside the area. We have been pressing both Iran and Syria on the seriousness of that, and we will continue to do so. It is an issue that affects them as much as it affects any other country in the area, and that development is a very dangerous ploy.

I understand that, later this week, the Secretary of State for International Development will give a detailed update on the delivery of aid to Gaza, and also perhaps a greater explanation of the temporary international mechanism to try to ensure that basic humanitarian aid is given to Gaza.

We are helping the Lebanese Government to explain how it might be possible for them to extend their remit down to the border, should we get a resolution to this conflict. The United Nations security resolution is in place and the peacekeeping force—whatever title it has—will help to do that. The hon. Gentleman is right that that is central. I am sure that he will also be glad to know that my right hon. Friend the Leader of the House informs me that we proscribed the military wing of Hezbollah in 2000.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): People across the world continue to be sickened and appalled by events in the middle east. We echo the Minister's condolences and share his concerns about the plight of United Kingdom citizens and others. Amidst all the complexities of the region, the kidnapping of the Israeli soldiers must continue to be condemned as the trigger of the crisis. They must be returned unharmed and nobody should deny Israel its right of self-defence. However, the military response is disproportionate and amounts to collective punishment of the people in Lebanon and the occupied territory, in contravention of the Geneva conventions and in breach of international law.

We are now far adrift of the road map. As hundreds die and thousands flee the conflict, will there now be a sustained high-level mission of all the parties to the Quartet to broker the necessary ceasefires and to plot the necessary short-term route to peace? Will the Minister clarify whether the United Kingdom has committed armed forces to the proposed UN mission, what any terms of engagement might be and where they would come from?

What provision is being made for the growing humanitarian crises arising from the Israeli incursions? Have we not now moved beyond the need for a temporary international mechanism to a requirement for urgent humanitarian aid? On the worrying plight of UK citizens, can we be assured that, as additional needs are identified, sufficient military and consular resources will be made available to those on the ground?

Dr. Howells: I welcome the hon. Gentleman's initial comments. We are certainly ensuring that there our ambassador in Beirut has everything that he requires to facilitate the possible evacuation of what could be tens of thousands of people. I spoke to him a few minutes before I came to the Chamber and he is satisfied that he has all the resources that he requires. He is also working closely with the commander of our forces that have been sent there by the Ministry of Defence.

I understand the hon. Gentleman's concerns about the need for proportionality, and I tried to cover that point in my statement. The Quartet will be expected to intensify its efforts and, as members of the EU, we will of course press very hard for that to happen. We believe that the Quartet is the most potent group to take the peace process forward, and we will continue to press for that. I repeat, in case the hon. Gentleman did not hear me say it when I made my statement, that there will be no British troops as part of the UN peace-keeping mission.

Several hon. Members *rose*—

Mr. Speaker: Order. May I remind Back Benchers that there should be only one supplementary question to the Minister?

Mike Gapes (Ilford, South) (Lab/Co-op): I welcome this balanced statement. My hon. Friend referred to the importance of reopening the Rafah crossing. The American Secretary of State, Condoleezza Rice, played a key role in bringing about the Rafah agreement last December. Is there any sign that the US Administration are prepared to become more actively involved in finding a solution to the present crises?

Dr. Howells: Yes, the United States Administration are as worried about their nationals in the area as we are about ours. I understand that they are hoping to begin their own evacuation in a few days' time. We are certainly talking to them and I understand that they are now talking to all the countries involved. I fully expect them, as part of the Quartet, to step up their efforts to find a resolution to the Palestinian problem as well.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): Is it necessary for the Minister to sound more equivocal than the Saudi Arabians in holding Hezbollah solely responsible for the present crisis? Is he aware that, in an unprecedented statement, the Saudi Arabians have said:

> "The Kingdom views that it is time that these elements"—

Hezbollah—

> "alone bear the full responsibility of these irresponsible acts and shoulder the burden of ending the crisis they have created."

If the Saudis can say that, why cannot the British Government?

Dr. Howells: I am sorry that the right hon. and learned Gentleman does not think that I have made a strong enough statement on Hezbollah. We have condemned Hezbollah and its tactics for many years, and will continue to do so. I am glad that the Saudi Government have made what for them is a brave statement on this matter, and I hope that it will represent a lead for many other countries in the Gulf and the middle east in general.

Clare Short (Birmingham, Ladywood) (Lab): Does the Minister agree that the fundamental reason why people in Gaza and south Lebanon are willing to use violence is that there is no political route to justice? Does he also agree that the road map is collapsing, and that Israel is in breach of it by expanding its borders with settlements surrounding Jerusalem? If we do not take action, there will be unending violence in the middle east, causing great danger and suffering throughout the region and a threat to the world economy.

Dr. Howells: I do not know exactly what my right hon. Friend means by "take action". We have played a very full part in trying to draw the sides together. There can only be one way out of this. There cannot be a military solution; there must be a properly negotiated solution. Neither name calling nor apportioning blame to this or that side has ever succeeded in the past, and I doubt that it will do so in the future.

Mr. Michael Ancram (Devizes) (Con): While accepting totally the need for Israel to defend itself against terrorism, I should like to ask the Minister to call upon our Israeli friends to avoid any further attacks on non-Hezbollah Lebanese citizens and non-Hezbollah interests such as the airport. Otherwise, is there not a danger that the impotence of the Lebanese Government to protect their own non-Hezbollah citizens will lead those citizens to look outside Lebanon for protection? That could severely exacerbate the crisis?

Dr. Howells: Those are wise words, and I very much agree with the right hon. and learned Gentleman.

Mr. David Winnick (Walsall, North) (Lab): In relation to what my hon. Friend said, how far is it likely that Israel can be persuaded that while it has a right to defend itself, which no one disputes—at least in this House and generally among the western democracies—the manner of its response is unacceptable and has caused untold suffering and many deaths including those of children? Is not it also important to recognise that the present conflict is playing into the hands of the extremists on both sides—those who do not want any recognition of Israel, regardless of circumstances, and those in Israel who have no wish whatever to give up post-1967 territory?

Dr. Howells: My hon. Friend makes a fair point, but it is difficult to see with whom Israel is supposed to negotiate. The conflict has not arisen as a consequence of one nation invading another. It is a consequence of Hezbollah, a terrorist organisation, with its militias in the south, Fatah with its militias, and Hamas with its militias, killing and kidnapping the soldiers of a sovereign state. In those circumstances, it is difficult to negotiate and impossible to set the rules of engagement. Where I agree with my hon. Friend is that we must impress on the Israelis the international rules of conflict. When civilians are killed and the terrible phrase "collateral damage" is used to describe what is seen as a legitimate attack, the impression given across the middle east and the world is not a good one. I am sure that the Israelis must have got that message, but we will continue to give it.

Mr. John Gummer (Suffolk, Coastal) (Con): While totally condemning the terrorist activities of Hamas and Hezbollah, it is important that Israel's response should not only be proportionate but be seen to be proportionate. In so far as it is disproportionate, it leads people outside to use the phrase,

> "A plague o' both your houses!"

and it looks like the same kind of terrorism to which it is meant to respond. Will the Government assure the House that they are putting all pressure on the United States, which, after all, is the key to a solution, to be insistent that Israel act proportionately, in her interests as well as those of the whole world?

Dr. Howells: Yes. Again, that is wise advice. On every occasion, we have tried to impress on the Americans that, whatever we do, we must not fuel the attraction of terrorists in that area, because all too often, that attraction exists. In meetings in Bradford last Wednesday, I kept hearing the phrase, "our martyrs". It is extraordinarily worrying if young, university-educated people in this country refer to those murderers who strap explosives around themselves and blow innocent people to pieces in a café in Haifa or any other city in Israel as martyrs.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Will my hon. Friend recognise that while the killing by rockets and other means of innocent Israeli civilians, and the kidnapping of Israeli soldiers, are vile terrorist crimes to be condemned, the Israeli military action against Lebanon, the killing of its citizens and the disruption of its fragile democracy are grave breaches of international law? Will he accept that unless a way is found to take a grip on this crisis, it could escalate into a global military, economic and political crisis?

Dr. Howells: We certainly understand the gravity of the situation, as does Kofi Annan and the G8, which has made it clear that a cessation of violence is essential and must be brought about sooner rather than later. My right hon. Friend is right—if weapons and fighters arrive from other areas, and the conflict is seen as some kind of holy jihad, we have problems. Bringing the conflict to a conclusion is the imperative. I have tried to make clear in answers to questions from other right hon. and hon. Members that all the actions that the Israeli state takes should be proportionate.

Stewart Hosie (Dundee, East) (SNP): May I associate my party with the Minister's earlier words of condolence? I condemn the kidnap of the Israeli soldiers and support calls for their immediate return. I also condemn what many believe to be disproportionate retaliation by the state of Israel. I welcome the deployment of the Royal Navy to the area to facilitate any evacuation, but what will happen to husbands, wives or children of United Kingdom citizens who are not themselves British passport-holders?

Dr. Howells: We have consular responsibility for dual nationals who wish to leave and whose lives are in danger. We will of course attempt to evacuate everyone who wants to be evacuated in those circumstances. The situation is difficult, because there are a number of agreements between us and other Commonwealth states under which we must look after many of their citizens too. The figures may become very high, but the hon. Gentleman can be absolutely assured that the Royal Navy has the professional expertise and skills to evacuate large numbers of people. We hope that it does not happen—we hope that people will get through the crisis and, most important of all, that we will be able to bring some peace to southern Lebanon that will obviate the need for a mass evacuation—but if it has to happen, we will be prepared.

Tony Lloyd (Manchester, Central) (Lab): While we would all condemn the kidnapping of both Israeli soldiers and Palestinian Ministers, the response of the Israeli Government has not been disproportionate; it has been an outrage. Can my hon. Friend assure us that when our Prime Minister talks to the Americans, his interlocutors understand that—as was said by my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman)—the world faces a crisis of enormous import? The whole world could be dragged into something so tragic that we would regret every moment at which we had not taken action. Are the American Government bringing pressure to bear on the Israeli Government to end the violence?

Dr. Howells: I have tried to make clear that we recognise the gravity of the situation, and that we have tried to impress on all sides the need for proportionality and a cessation of violence. My hon. Friend knows the history better than most Members. He is aware of the feeling of Israelis, as well as Palestinians, about their own safety, the integrity of their borders and—I say this in no uncertain terms—the vital need for a two-state solution. If we take our eye off that ball, I am afraid we will enter into decades of conflict.

Mr. James Clappison (Hertsmere) (Con): Given that these events were deliberately initiated by Hezbollah through the not entirely trivial actions of attacking and killing Israeli soldiers, kidnapping Israeli soldiers and raining missiles down on Israeli towns and cities, and given that Hezbollah is supported by Syria and Iran, will the Minister bring every possible form of pressure—and consequences, if necessary—to bear on Iran and Syria to end their support for terrorism and their support for the rejection of any possible just peace in the middle east?

Dr. Howells: Yes indeed. That is very good advice to the Government, and we certainly accept it.

Richard Burden (Birmingham, Northfield) (Lab): My hon. Friend has been very clear in his condemnation of Hezbollah's actions, and I doubt that he would find any Member on either side of the House who did not also condemn those actions without qualification. However, there is a good deal of concern about the fact that some of the language used is far from equitable. To attack power stations, to kill more than 100 civilians and to talk about taking Lebanon back 20 years is not merely disproportionate: it is immoral, it is illegal and it is unacceptable.

Will my hon. Friend unequivocally support the call from the Prime Minister of Lebanon for an immediate ceasefire on both sides? If he wants Lebanon to adhere to United Nations Security Council resolution 1559, will he also seek Israel's adherence to resolution 242?

Dr. Howells: I agree with my hon. Friend that the language must be equitable and constructive, and I do not see any value in destroying power stations, bridges and so on. In the interim there is the possibility for the Lebanese Government to be helped to extend their remit to the Israeli border. That has to be an immediate priority. On the question of the implementation of some of the security resolutions, we have to be realistic and aim immediately to try to end this conflict and to bring about a peace in which negotiations properly can take place and people can feel safe again. On that I agree with him entirely.

Mr. Lee Scott (Ilford, North) (Con): Does the Minister agree that firing more than 1,000 missiles into Israel over the past four weeks is tantamount to a declaration of war with Israel and that any Prime Minister of any country would defend his people in those circumstances?

Dr. Howells: I doubt if anyone could argue with that. Shortly before I came into this Chamber, I heard that a missile fired by Hezbollah apparently has hit an apartment block and that it has collapsed. We do not know what the casualties are, but it is a serious escalation of the situation.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Can the Minister tell me how negotiations with our European colleagues will be taken forward? Some newspapers have reported today that Secretary of State Condoleezza Rice wished the European states to be represented by Javier Solana. That will be difficult as there is no agreement between the Germans, the French and the British on how to proceed, is there?

Dr. Howells: We are co-ordinating our activities closely with our EU partners on all matters at the moment, from trying to make some diplomatic breakthrough to making sure that all our citizens are evacuated safely if they wish to be taken from Lebanon. We have received a lot of co-operation on that front and we in turn will offer what co-operation we can to other EU states.

Sir Patrick Cormack (South Staffordshire) (Con): Is there any evidence at all that the Governments of Syria, Iran and Israel are listening to the calm and moderate language used this afternoon by the Minister? Have their ambassadors been summoned to the Foreign Office, so that he can explain these things to them?

Dr. Howells: We have not summoned them formally or informally to the Foreign Office since the crisis began. I fear we have been too busy to do that, but it is a very good point and I will take it back to my right hon. Friend the Secretary of State.

Barbara Keeley (Worsley) (Lab): Palestinian and Israeli women members of the International Women's Commission for a Just and Sustainable Palestinian-Israeli Peace met last Thursday and issued a statement rejecting the use of force and urgently requesting that the Quartet intervene to stop the fighting. They also pointed out that civilians are the ones paying the price daily for the cycle of retaliation and counter-retaliation. Given that women in the middle east have for many years kept discussions going across political divides, does my hon. Friend agree that, as IWC members state, this appears to be the last chance for sanity and a return to the political process?

Dr. Howells: I am very glad to hear that the movement is taking a strong and positive role. Every voice, as my hon. Friend puts it, for sanity and peace should make itself heard right now.

Mr. John Redwood (Wokingham) (Con): Given how important it is to get people round the table before many more thousands are killed and murdered, is there not a danger that with an EU initiative, a Quartet initiative and a UN initiative, those initiatives individually will lack clarity and authority? Is not there a case, given all the interests of different powers in the middle east, for the UN to have all our support and to be the main force for trying to get people round the table, backed by whatever force the world can muster?

Dr. Howells: Yes, the right hon. Gentleman is absolutely right. It should be conducted through the UN. The three-person UN delegation that we helped to get into Beirut has a pretty good idea now of what the situation is like on the ground there. I know that Kofi Annan is involved in trying to negotiate some way through this, if only to bring a temporary cessation of violence. We will give him all the support we can, but the right hon. Gentleman is right to stress that any initiative must be properly co-ordinated, and that we must have some coherence to our approach.

Mr. Neil Gerrard (Walthamstow) (Lab): No one in this House in any way supports kidnapping or the firing of rockets into Israel, but does my hon. Friend accept that collective punishment is clearly against international law and has been regularly and routinely used by Israel over the years? It is being used again now in Lebanon, with the bombing of infrastructure and targeted assassinations from the air that inevitably cause civilian casualties, as the Israelis know when they do it. Those are not the actions of a responsible Government. In comparing the actions of Hezbollah and Israel, let us remember that Israel is a Government and a state, not an organisation like Hezbollah. One expects any state that claims to be a democracy and is a member of the UN to abide by international law.

Dr. Howells: We certainly expect Israel to abide by international law and we are totally opposed to collective punishment. My hon. Friend is right in recalling the history of relationships between Israel and its neighbours since the second world war. There is a great difference now. Hezbollah recognises no international law and targets civilians directly. Hamas's terrorist elements murder civilians directly. That is the way in which terrorists operate. It is difficult, as we have found in this country to our great pain, to understand how such an enemy operates, and it is still more difficult to erect defences against such attacks. That is not to excuse collective punishment, as my hon. Friend puts it, but we must also try to understand that there are some very unscrupulous organisations around that operate across frontiers, owe allegiance to no one and are prepared to use any murderous techniques they care to invent to achieve their ends. That is a very difficult enemy with which to negotiate.

Dr. Vincent Cable (Twickenham) (LD): With the crisis pushing oil prices to $80 a barrel—and potentially to more than $100, if Iran is more directly involved—and causing great stress to the world economy and to the poorest countries in particular, can the Minister tell me whether the British Government are taking any action to secure the release of strategic stocks to stabilise the situation?

Dr. Howells: No, I cannot tell the hon. Gentleman that at the moment. I know that he is a great expert on the oil industry and I will try to find out for him. I will probably have to whisper the answer to him privately, because if such information reached the market we would see a rapid shift in the price of oil.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): My hon. Friend has mentioned several times the need to return to the road map once this current crisis is over. In that context, may I draw his attention to the fact that among everything else the Israeli Government are continuing to construct the illegal wall on Palestinian territory and are annexing yet more land in the west bank around Hebron? Will he also make representations to the Israeli Government that they must stop creating facts on the ground, because that will mean that the two-state solution will be dead in the water, to the detriment of Israel and the Palestinians?

Dr. Howells: My hon. Friend is right. There can be no justification for constructing the barrier that has been built on Palestinian land. Nor can the Israeli Government annex Palestinian land and claim some sort of spurious legality for it. We have raised that point with the Israelis time and again, and we will continue to raise it with them. I have been there and seen it for myself and it is causing enormous hardship for many people, Palestinians and other dwellers in, for example, Jerusalem. If Israel is to come out of this situation with any credibility, it is vital that it is seen to be fair and to abide by international law in the construction of the barrier, and to stop the annexation of Palestinian land.

Mr. Julian Brazier (Canterbury) (Con): It was incredibly touching on a visit to Beirut in April to see how much progress has been made in rebuilding the state after the ejection of the Syrians. Does the Minister accept that the Beirut Government face exactly the same problems in trying to disarm Hezbollah as the Government whom we support in Baghdad have with militias there? For Israel to trash the state of Lebanon will do nothing at all for Israel's long-term security. The target needs to be Hezbollah, not civilians or Lebanese infrastructure.

Dr. Howells: I agree broadly with the hon. Gentleman. We were all hopeful that moves towards real democracy and the move out from Lebanon of the Syrians—at least, the Syrian Army—boded very well. There was a good opportunity there for a lasting peace and for a strong Lebanese Government, which is precisely what was needed. The destruction of infrastructure and deaths of civilians will do nothing to strengthen that opportunity for the future, and we should say so very clearly.

The hon. Gentleman is right to draw parallels with sectarian militias in Baghdad and other places; any democratic Government face a terrible dilemma over how far they can go to try to rope militias in, and for the Lebanese Government that will be a huge task. I hope that they will be helped by an international peacekeeping force with the teeth to do something about Hezbollah.

Mr. Iain Wright (Hartlepool) (Lab): Following on directly from those comments, I draw the Minister's attention to a parliamentary answer that he gave in March, in which he mentioned the British Government's support for Lebanese political, economic and security reform, which I welcome. Is not the influence of Hezbollah in Lebanon a major destabilising force? As the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) said, it is the principal reason for the escalation in violence during the last 10 days or so. Further to the Minister's statement, what work will he do to ensure that the Lebanese Government and others undermine, weaken and ostracise Hezbollah within Lebanon?

Dr. Howells: My hon. Friend is quite right: Hezbollah is the major destabilising influence. He will know that there were many hopes that Hezbollah would recognise that it would have a good deal of democratic support if it converted itself into a strictly democratic, legal party. It has had MPs elected and has at least one Minister in the Government, and one would have hoped that would be enough for it. It was not enough, and Hezbollah simply could not ditch the habits of a lifetime of forming militias, killing people and targeting innocent civilians. That means, of course, that it has a hand in destabilising Lebanon as well as relationships between Lebanon and Israel. We all have to work to counteract that influence, because it is pernicious.

Mr. James Arbuthnot (North-East Hampshire) (Con): The Minister's statement has been extremely balanced, as have his answers, for which I am very grateful. Does he agree that the calls on Israel to show restraint are recognised by Israel, which has shown enormous restraint over many months of having rockets fired into its territory? Three Israeli soldiers are still being held hostage: what is Israel meant to do about those soldiers? Is it meant to negotiate? If it does, will not that simply encourage more hostage-taking?

Dr. Howells: That is a real dilemma, and we know about that dilemma from our experience in Iraq. What do a Government do? Do they start to play the game of hostage-taking and prisoner swaps and so on? There may be a mutually agreed solution down that path, but I cannot see it myself right now, and I think that the right hon. Gentleman is quite right to say that we have to urge restraint on all sides. It is difficult to urge restraint, however, on an organisation which, at its heart, has the aim of the destruction of a country. It is not easy to do.

Mr. David S. Borrow (South Ribble) (Lab): There have been reports over the weekend that longer-range missiles used by Hezbollah have been supplied either by

[Mr. David S. Borrow]

Syria or Iran. Is that the case? If it is, does my hon. Friend recognise that from an Israeli point of view it is one thing to be attacked by a terrorist organisation but to be attacked by two sovereign states in the region could provoke a completely different reaction, which poses grave danger to the whole middle east?

Dr. Howells: We certainly recognise from our experiences in Basra that countries outside Iraq, Lebanon, Israel and Palestine are prepared to lend and give their technology to the destruction of those whom they perceive to be their enemies. I do not want to inflame the situation further, but somebody is giving some very sophisticated missiles to some very unscrupulous people. In the end, that will do no good to Iran and Syria, any more that it will do Lebanon or the Palestinian people any good. We have to do what we can to stop that flow of weapons and try to persuade people that in the end they will kill innocent people and any hopes of peace in the future.

Dr. Julian Lewis (New Forest, East) (Con): Given that Hezbollah would probably not have been able to proceed in the kidnapping and killing of Israeli soldiers without the green light from Iran, have Ministers considered the possibility that Iran may have given that permission with a view to diverting the world's attention from the crisis over its own nuclear programme? What guarantees can the Government give the House that they will not allow themselves to be diverted in that way?

Dr. Howells: We will certainly not be diverted from our examination of the Iranian nuclear programme. We are good members of the International Atomic Energy Agency and support entirely the UN's approach. We are absolutely determined to do what we can to stop the proliferation of nuclear weapons, whether in the middle east or anywhere else.

Mr. Russell Brown (Dumfries and Galloway) (Lab): Yesterday evening, I spoke with the mother and grandfather of a young man who is trapped in north Beirut. Their anxiety for his well-being is compounded by the fact that he apparently cannot make contact with our embassy and that they believe that other foreign nationals can be evacuated from Lebanon. Can my hon. Friend spell out the exact status of our embassy? Is it actually open, and are other countries having the same difficulties in evacuating their countrymen?

Dr. Howells: I can assure my hon. Friend that our embassy is not only open but has been working flat out throughout the crisis. If he wants to approach me afterwards, I will certainly go through the situation in detail. Like many Members, I have experienced a number of crises across the world and I have rarely seen a set of our representatives—our diplomats abroad—work harder than those in the embassy in Beirut. I hope that my hon. Friend realises the scale of the problem; it is absolutely enormous and is taking place when missiles and aircraft are flying around and bombs are going off. Our diplomats are carrying out a very brave act and doing it very well, and I do not think that anybody is further advanced than us in getting our people out, but it will take a lot of organising. The last thing we want to do is to put our people in danger by persuading them to leave places where they are relatively safe. We cannot do that, which is why we have to negotiate carefully to make sure that our ships and buses are safe and that they will not be targeted and blown up—whether by Hezbollah or the Israelis. Our primary task is to make sure that our people are safe and that is what we are focusing on at the moment.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the hon. Gentleman impress on his Israeli interlocutors the fact that many of us who are friends of Israel believe that the action being undertaken by the Israeli Government is disproportionate and not compatible with the standards that we expect of a civilised Government? Furthermore, it is not likely to enhance their long-term security and will damage their reputation in the eyes of the world.

Dr. Howells: The right hon. and learned Gentleman is right to raise this issue. I have tried to make it clear to the House that we expect proportionate action, not disproportionate action. I agree entirely with him: disproportionate action, where it takes place, will do nothing other than cause greater resentment and probably greater opposition to the cause of Israel.

Jeremy Corbyn (Islington, North) (Lab): Everyone who has spoken in the House today has quite rightly condemned all the violence in the region and all the killing that is going on. The Minister himself has acknowledged that Israel's actions in Lebanon are disproportionate and illegal, and are killing a large number of civilians. In view of Israel's illegal activity, is he prepared to propose any kind of sanction against Israel, such as suspension of the EU trade agreement, which has within it a requirement in relation to human rights law and international law being adhered to? Will he also say the same to the United States? It has it within its power to put real pressure on Israel to cease this illegal activity.

Dr. Howells: No, this is not the time to start dusting off theories that I have heard over the past 30 years about how we can sort this problem out. We have to try to bring a cessation to the immediate violence and try to make people safe. Let us start negotiations from there.

Points of Order

4.31 pm

Mr. David Gauke (South-West Hertfordshire) (Con): On a point of order, Mr. Speaker. You will remember that, nearly two weeks ago, I raised a point of order with you about an unanswered question from the Home Office. That unanswered question related to the number of unanswered questions from the Home Office. It was a named day question, the date in question being 5 June. I received a response that the Home Office would answer as soon as possible—*[Interruption.]*

Mr. Speaker: Order. May I say to the hon. Member for Milton Keynes, South-West (Dr. Starkey) that I am trying to listen to a point of order? It is a distraction when she speaks so loudly.

Mr. Gauke: Thank you, Mr. Speaker. As I was saying, the holding answer said that an answer would come as soon as possible. That was on 5 June. I raised a point of order with you exactly a month later about whether an answer would be forthcoming. I would be grateful to know whether there has been any progress on this matter, given that the recess is looming.

Mr. Speaker: I thank the hon. Gentleman for raising the point of order. I was getting a bit worried myself, in case I got a holding reply—but I can inform him that the good news is that since I came into the Chamber, an answer has arrived. As soon as I leave here, I will read the answer and I will share it with him. I hope that that is helpful to him.

Simon Hughes (North Southwark and Bermondsey) (LD): On a point of order, Mr. Speaker. You have been very clear in the past about the duty of Government not to release information publicly before it has appropriately come to the House. I have not given you prior notice of what I am going to say, so I apologise, because you may want to reflect on this. You could reflect on whether you could issue the same sort of warning to agencies of Government. The particular case that I have in mind occurred today. The Crown Prosecution Service's Director of Public Prosecutions was due to make an important announcement at 12 o'clock about the prosecution or otherwise of police officers in relation to the shooting at Stockwell, but it was clear that there had been a leak of his intended announcement beforehand. I wonder whether you could take the time to reflect on that. If you were able to help the House by making sure that that sort of announcement was also protected—so that it could be made by the appropriate officer rather than announced in the press beforehand—that would be much appreciated.

Mr. Speaker: I sympathise with the hon. Gentleman, but my feeling is that the Crown Prosecution Service is an independent organisation, and operates in a different situation from that of a Minister of the Crown.

Dr. Julian Lewis (New Forest, East) (Con): On a point of order, Mr. Speaker. Further to the point of order raised by my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) about ministerial non-answers, you will remember the advice that you gave me a few days ago in relation to a question that I had asked the Secretary of State for Defence. I asked whether he was informed by the Chancellor of the Exchequer about the Chancellor's proposed announcement on the future of Trident before the Chancellor made his Mansion house speech. The answer was:

> "I have regular discussions with the Chancellor of the Exchequer on a range of issues."—[*Official Report*, 5 July 2006; Vol. 448, c. 1107W.]

You advised that I should table another question. In pursuance of your advice, I did so, asking whether in the course of those regular discussions the Chancellor of the Exchequer had informed the Secretary of State for Defence of the content relating to the future of Trident in the Chancellor's Mansion house speech before that speech was made. The reply was:

> "I have nothing further to add to the reply I gave the hon. Member on 5 July".—[*Official Report*, 11 July 2006; Vol. 448, c. 1798W.]

I wanted you to know the seriousness with which Ministers take your strictures on these matters.

Mr. Speaker: I knew that I was giving the hon. Gentleman good advice, but he must try and try again.

Orders of the Day

Compensation Bill [*Lords*]

As amended in the Standing Committee, considered.

New Clause 13

MESOTHELIOMA: DAMAGES

'(1) This section applies where—

(a) a person ("the responsible person") has negligently or in breach of statutory duty caused or permitted another person ("the victim") to be exposed to asbestos,

(b) the victim has contracted mesothelioma as a result of exposure to asbestos,

(c) because of the nature of mesothelioma and the state of medical science, it is not possible to determine with certainty whether it was the exposure mentioned in paragraph (a) or another exposure which caused the victim to become ill, and

(d) the responsible person is liable in tort, by virtue of the exposure mentioned in paragraph (a), in connection with damage caused to the victim by the disease (whether by reason of having materially increased a risk or for any other reason).

(2) The responsible person shall be liable—

(a) in respect of the whole of the damage caused to the victim by the disease (irrespective of whether the victim was also exposed to asbestos—

(i) other than by the responsible person, whether or not in circumstances in which another person has liability in tort, or

(ii) by the responsible person in circumstances in which he has no liability in tort), and

(b) jointly and severally with any other responsible person.

(3) Subsection (2) does not prevent—

(a) one responsible person from claiming a contribution from another, or

(b) a finding of contributory negligence.

(4) In determining the extent of contributions of different responsible persons in accordance with subsection (3)(a), a court shall have regard to the relative lengths of the periods of exposure for which each was responsible; but this subsection shall not apply—

(a) if or to the extent that responsible persons agree to apportion responsibility amongst themselves on some other basis, or

(b) if or to the extent that the court thinks that another basis for determining contributions is more appropriate in the circumstances of a particular case.

(5) In subsection (1) the reference to causing or permitting a person to be exposed to asbestos includes a reference to failing to protect a person from exposure to asbestos.

(6) In the application of this section to Scotland—

(a) a reference to tort shall be taken as a reference to delict, and

(b) a reference to a court shall be taken to include a reference to a jury.

(7) The Treasury may make regulations about the provision of compensation to a responsible person where—

(a) he claims, or would claim, a contribution from another responsible person in accordance with subsection (3)(a), but

(b) he is unable or likely to be unable to obtain the contribution, because an insurer of the other responsible person is unable or likely to be unable to satisfy the claim for a contribution.

(8) The regulations may, in particular—

(a) replicate or apply (with or without modification) a provision of the Financial Services Compensation Scheme;

(b) replicate or apply (with or without modification) a transitional compensation provision;

(c) provide for a specified person to assess and pay compensation;

(d) provide for expenses incurred (including the payment of compensation) to be met out of levies collected in accordance with section 213(3)(b) of the Financial Services and Markets Act 2000 (c. 8) (the Financial Services Compensation Scheme);

(e) modify the effect of a transitional compensation provision;

(f) enable the Financial Services Authority to amend the Financial Services Compensation Scheme;

(g) modify the Financial Services and Markets Act 2000 in its application to an amendment pursuant to paragraph (f);

(h) make, or require the making of, provision for the making of a claim by a responsible person for compensation whether or not he has already satisfied claims in tort against him;

(i) make, or require the making of, provision which has effect in relation to claims for contributions made on or after the date on which this Act is passed.

(9) Provision made by virtue of subsection (8)(a) shall cease to have effect when the Financial Services Compensation Scheme is amended by the Financial Services Authority by virtue of subsection (8)(f).

(10) In subsections (7) and (8)—

(a) a reference to a responsible person includes a reference to an insurer of a responsible person, and

(b) "transitional compensation provision" means a provision of an enactment which is made under the Financial Services and Markets Act 2000 and—

(i) preserves the effect of the Policyholders Protection Act 1975 (c. 75), or

(ii) applies the Financial Services Compensation Scheme in relation to matters arising before its establishment.

(11) Regulations under subsection (7)—

(a) may include consequential or incidental provision,

(b) may make provision which has effect generally or only in relation to specified cases or circumstances,

(c) may make different provision for different cases or circumstances,

(d) shall be made by statutory instrument, and

(e) may not be made unless a draft has been laid before and approved by resolution of each House of Parliament.'.—*[Bridget Prentice.]*

Brought up, and read the First time.

4.34 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): I beg to move, That the clause be read a Second time.

Mr. Speaker: With this it will be convenient to discuss the following:

New clause 6—*Mesothelioma Compensation Board*—

'(1) The Secretary of State may by regulations establish a body known as the Mesothelioma Compensation Board.

(2) Regulations made under this section shall make provision as to the functions and powers of the Board.'.

New clause 7—*Asymptomatic chemical exposure*—

'The lodging in the body of a chemical or substance which may cause injury as a consequence of negligence or breach of statutory duty, shall give rise to a cause of action whether or not the lodging has caused symptoms at the time the action is commenced or brought to trial.'.

New clause 8—*Disapplication of Crown Proceedings Acts*—

'The Crown Proceedings Act 1947 and the Crown Proceedings (Armed Forces) Act 1987 shall not provide a defence to a claim brought after the Act came into force, in respect of injury caused by exposure to chemicals or substances occurring before that date but which did not manifest symptoms in the claimant until after that date.'.

Government amendments Nos. 7 to 10.

Bridget Prentice: I am delighted to be introducing new clause 13 and related Government amendments Nos. 7 to 10, which, I believe, will make a real difference to sufferers of mesothelioma and their families who have been, or would have been, affected by the recent House of Lords judgment in the case of Barker *v.* Corus.

Mr. Frank Field (Birkenhead) (Lab): The Minister rightly talks about her pleasure in moving the new clause. That pleasure is widely felt, certainly among Members on the Labour Benches, because many of our constituents have a real interest in what she is about to say. I thank her.

Bridget Prentice: I am grateful to my right hon. Friend for his intervention, especially because I want to ensure that I make it clear throughout my speech how grateful I am to my right hon. and hon. Friends for the campaigning that they have done on this issue and the pressure that they have put on me, and the Government as a whole, to ensure that we would consider new clause 13 and the Government amendments today. I agree that the measures are important to many hon. Members, and they are especially important to the families and constituents whom they represent.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Of course we welcome the new clause and amendments. However, how would the Minister respond to a letter that I have received from the solicitor who acted for the Department of Trade and Industry when it instigated the litigation that resulted in the House of Lords decision in Barker *v.* Corus? The solicitor writes:

"It appears that the same government for which I was acting in what was then considered to be in the public interest has now apparently decided, following a clamour of protest, to legislate to reverse the decision which it itself sought."

Will the hon. Lady explain which Minister decided to take the case of Barker *v.* Corus forward? How much did it cost, and why have the Government got into this mess?

Bridget Prentice: I am disappointed that the hon. Gentleman is trying to make juvenile points—*[Interruption.]* If he is prepared to listen, I will explain to him one of the simple things about cases in both the Court of Appeal and the House of Lords. Cases are given the title of the person taking the action and the person defending the action. The hon. Gentleman will see that no Government name appears in the case of Barker *v.* Corus as either the appellant or the defendant. The case was taken by the families against Corus. He should stop trying to make silly interventions and allow us to take a historic decision today that will change the lives of people who are suffering because of a horrible disease.

Mr. Heald *rose*—

Bridget Prentice: If I may, I would like to get past the first sentence of my speech. I will give way again shortly.

Let me outline the situation. In the 2002 case of Fairchild *v.* Glenhaven Funeral Services, the House of Lords decided that a person who had contracted mesothelioma after wrongful exposure to asbestos—

Mr. Heald: On a point of order, Madam Deputy Speaker. Is it in order for the Minister to misrepresent the position, albeit no doubt inadvertently? It was British Shipbuilders (Hydrodynamics) Ltd that took the case to the House of Lords, funded by the Department of Trade and Industry. I have quoted from a letter from the solicitor—

Madam Deputy Speaker (Sylvia Heal): Order. That is a matter for debate, rather than a point of order for the Chair.

Bridget Prentice: In the 2002 case of Fairchild, the House of Lords decided that someone who had contracted mesothelioma after wrongful exposure to asbestos at different times by more than one negligent employer could sue any of them, notwithstanding the fact that he could not prove which exposure had caused the disease, because all had materially contributed to the risk of his contracting that disease. Fairchild did not resolve whether liability should be joint and several, although it was presumed by the parties that that would be the rule, and that was the approach taken in practice. However, in Barker *v.* Corus, the House of Lords decided that, instead, the damages were to be apportioned among those responsible for the wrongful exposure according to their relative degree of contribution to the chance of the person contracting the disease.

That decision did not impose a limit on the damages that could be recovered from those responsible for the exposure to asbestos, but it did mean that the risk of any of them being insolvent and unable to pay the appropriate share would fall on the claimant, and that in practice the claimant would have to trace all relevant defendants, as far as that was possible, before liability could be apportioned and full compensation paid, or alternatively to issue multiple claims to recover damages on a piecemeal basis.

David Howarth (Cambridge) (LD): I fear that the Minister has missed one important part of the argument in the Barker case: it extended liability to cover cases where part of the exposure was caused by the claimant himself. Is not there a danger that the law will go back to its state before Barker if the new clause is passed?

Bridget Prentice: In one sense the law will go back to before Barker—to Fairchild, which represents the position that we wish to put people in. As I said at the beginning, although Fairchild did not in itself determine joint and several liability, in practice that is what happened, and that is what we want to achieve.

David Howarth: I am grateful to the Minister for giving way again, because this is a very important point. There are two aspects of Barker. One was in favour of the claimant, by expanding the scope of the Fairchild ruling; the other was the imposition of proportionate several liability instead of joint and several liability. If we return to Fairchild completely, the liability rule will contract and fewer people will gain damages in the first place.

Bridget Prentice: I do not accept the hon. Gentleman's version of what will happen as a result of the amendments. If he will allow me to go through the rest of the outline of why and how we are doing this, with a bit of luck it will all become clearer.

The practical effects of the decision, which the Law Lords were not asked to consider, would be that claims could take much longer to be concluded and would be much more difficult and time-consuming for claimants, when they and their families are already under considerable pain and stress. That is why we are taking action today to reverse the effects of the Barker judgment and to help claimants suffering from this terrible disease to receive the compensation to which they are entitled as soon as possible.

Tony Lloyd (Manchester, Central) (Lab): May I too congratulate my hon. Friend on this important step? Although she is absolutely right to emphasise that the decision is fair to the claimants, it is also logical medically. I know of no doctor who believes that it is even remotely sensible to try to apportion the responsibility or the causality among different former employers. The Barker decision was treated with total incredulity by the medical profession, who of course must deal with the consequences of the outrageous actions of the asbestos purveyors of the past.

Bridget Prentice: My hon. Friend makes a very important point. That is why we have tabled the amendments. The very fact that a single fibre of asbestos is enough for someone to contract this horrible disease makes it very difficult medically to decide directly where that might have happened.

I should make it clear that the amendments are just part of what the Government are doing. Together with colleagues in the Department for Work and Pensions, we are working with the Association of British Insurers, the Association of Personal Injury Lawyers and the TUC urgently to identify ways of speeding up the settlement of mesothelioma claims. My right hon. Friend the Secretary of State for Work and Pensions has already indicated that he will be making a statement about that work before the recess. I thank the ABI, APIL and the TUC for the helpful and constructive discussions that we had when formulating the amendments.

4.45 pm

Chris Bryant (Rhondda) (Lab): Those of us who last week heard the Minister for Employment and Welfare Reform make a commitment to providing a statement before the recess were encouraged. Will the Under-Secretary underline the importance of taking swift action? Sadly, people who contract mesothelioma may have no more than a year or 18 months between the moment when they know that they have contracted the illness and dying, so it is important that the Government move swiftly, and that the system is swift to administer. Does my hon. Friend agree?

Bridget Prentice: I absolutely agree with my hon. Friend, and I hope later to reassure him that we are making sure that that happens. It is all very well our introducing the amendments, but if people who are suffering had to wait an extended time to receive their compensation, much of what we are doing today would be undermined, so my hon. Friend is right to make that point.

Mr. John Greenway (Ryedale) (Con): I, too, thank the Minister for the speedy way in which she has responded to this problem, which dominated Second Reading. She mentioned the ABI, and I am grateful for the changes that the Government have implemented. The new clause is complex, and amends, for example, the financial services compensation scheme. Can she give the House the assurance that all claimants will receive full compensation? If all those responsible were insolvent, there would be a loophole, and a gap in provision. That requires a great deal of attention, so it would be helpful to all of us if she gave that assurance. Finally, I endorse the point about speed, which is particularly important, given that the rules committee has to draw up a new framework to ensure that compensation is made speedily. That process has, in the past, been protracted, and that would not be appropriate in the circumstances.

Bridget Prentice: The hon. Gentleman makes a fair point. Officials are working on that issue, virtually as we speak. He is right about the effect on the Financial Services and Markets Act 2000, and indeed on the Policyholders Protection Act 1997. We are not changing liability under that scheme, but we will make sure that people are properly covered and that FSMA, as it is affectionately known, is used properly. Work on that is going on now. Later, I hope to show that people can receive compensation even before the regulations are made, and that the money can be drawn back later by the people who pay it. I hope that I have given the hon. Gentleman reassurance.

I want to deal with the detail of the amendments, and I hope that the explanatory note that has been provided will be of assistance. New clause 13 provides that where a person

> "has negligently or in breach of statutory duty caused or permitted another person...to be exposed to asbestos,"

and

> "the victim has contracted mesothelioma as a result",

the negligent person will be jointly and severally liable. That will enable the claimant to recover full compensation from any responsible person, and will also apply to claims made by the claimant's estate or dependants when the claimant has not made or resolved a claim prior to his death.

Mr. David Hamilton (Midlothian) (Lab): I, too, congratulate the Minister and her officials on the manner in which they took the Bill through the House, and on ensuring that it will apply to Scotland throughout the period in question. The issue is extremely important, so does the Minister share my disappointment that Members from the Scottish National party do not see fit to be in the Chamber, even though the issue affects so many Scots?

Bridget Prentice: My hon. Friend points out the absence of SNP Members, but it does not surprise me, as they rarely come to the Chamber when something of such importance to many of their constituents is being debated. I am not surprised—disappointed, perhaps, but I may be too old and cynical even to be disappointed any more.

With reference to Scotland, I am grateful to our colleagues in the Scottish Executive who worked extremely hard in a very short time to agree the Sewel motion, which will allow the provision to apply to Scotland. I put on record my thanks to them for taking on board the issues that we raised with them, despite the fact that we did not necessarily have every t crossed and every i dotted.

The provision will apply regardless of where the exposure took place. I am aware that some concerns have been expressed that this may extend the principle contained in Fairchild. I do not believe that this is the case. Although the case of Fairchild related to a workplace exposure, the principle contained in the House of Lords judgment was not restricted to such cases. To restrict the provision to workplace exposure would mean that some of the claimants affected by Barker would be left in exactly the same difficulties as they are now suffering, and that different claimants would be treated in different ways purely because of where the exposure occurred. That cannot be right.

Mr. John Redwood (Wokingham) (Con): Can the Minister give us an idea of how much in total might be paid out if the new clause goes through, and what that would mean for each sufferer?

Bridget Prentice: No, I regret that I cannot give the right hon. Gentleman a figure for the sum that would be paid out. When my right hon. Friend the Secretary of State for Work and Pensions makes his statement, he may have more detail. I shall let him know that that would be of interest to the House. If he can, I am sure that he will try to give a figure, but it is difficult to make a direct statement on such matters. We know that there are between 1,000 and 2,000 cases per year, so we can work on that basis. The changes to the FSCS will improve the speed with which claimants receive compensation, but as I said earlier, they do not alter liability under the scheme.

The provision also ensures that where a claimant has worked for a single employer who is now insolvent, but where only part of the period of exposure is covered by insurance, the claimant will be able to recover compensation from that insurer on the same basis as before the Barker case. That is a point that the hon. Member for Ryedale (Mr. Greenway) raised.

Subsection (3) makes it clear that the provision does not affect the existing law on contributory negligence. Where a claimant has himself been responsible for part of the negligent exposure, it is right that that should be reflected in the level of compensation, but the provision will apply where, for example, a self-employed person has been negligently exposed by another while working as a contractor.

Subsection (3) also makes it clear that a person who has paid full compensation can then seek a contribution to the damages awarded from other responsible persons under the Civil Liability (Contributions) Act 1978. In the light of concerns expressed by insurers, subsection (4) provides for contributions to be apportioned on the basis of the relative lengths of the periods of exposure for which each was responsible, unless the parties agree otherwise or the court thinks that another approach is more appropriate. That will ensure that defendants and insurers are able to recover contributions in as straightforward a way as possible. In that context, it is also important that the lawyers acting for claimants ensure that defendants are provided with a full employment and exposure history, and we are looking to see whether amendments to secondary legislation will help to achieve this. That, too, will help to speed up compensation.

Subsections (7) to (11) confer a power on the Treasury to make regulations about the provision of compensation to a responsible person or an insurer of a responsible person in specified circumstances. These provisions are essential to help avoid delay in paying compensation, and will allow the current practice of employers and insurers making parallel payments with the FSCS to continue. As well as speeding up the claims process, they also produce a fair outcome for insurers.

These subsections confer a power for the Treasury to make provisions that would facilitate speeding up the payment of claims to mesothelioma victims. These provisions would enable responsible persons to claim money back from the financial services compensation scheme, when another responsible person and their insurer are both insolvent and thus unable to pay their own share of compensation payments—again, that is related to the point that the hon. Member for Ryedale made. The power includes the ability to deal with situations arising before the establishment of the FSCS that were, as I have said, settled under the Policyholders Protection Act 1975.

The power will come into effect only when the Treasury has laid the necessary regulations and the Financial Services Authority has made the relevant rules. However, the rules permit the liable party to claim contributions in respect of claims dealt with from the date of Royal Assent—that is the point that my hon. Friend the Member for Rhondda (Chris Bryant) asked about. The Treasury will make regulations, which will be laid as soon as practicable in the autumn, once Parliament reconvenes.

The FSA is considering what changes may be needed to the FSCS to facilitate the swifter settlement of mesothelioma claims in accordance with the amendment of this Bill. The FSA proposes to take forward any changes as a matter of priority.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): On the subject of the Treasury, my hon. Friend knows that many voluntary organisations are involved in helping victims and families through such traumatic times. Will she tell the House whether the Bill will assist voluntary groups such as Clydeside Action on Asbestos, which does a terrific job helping people to prepare claims and apply for compensation?

Bridget Prentice: When we consider other parts of the Bill, my hon. Friend will find out what we are doing to exempt some groups, and the organisation that he has mentioned may fall into that category. Where charitable and voluntary organisations are helping victims, I hope that the Bill will protect them and allow them to continue their good work.

Simon Hughes (North Southwark and Bermondsey) (LD): The Minister knows that I welcome the initiative, about which I shall say more later. When she secured the general support of the Association of British Insurers for a compensation scheme, what was her answer to its proposal that there should be a separate body to deal with claims, which might be a quicker method than the one that she has just described? May I assume that she will go on to discuss how the Government are sure that they will be justified in law and that the retrospective aspects of the proposal will not be overturned?

Bridget Prentice: I will discuss the retrospective aspects of the proposal shortly. The ABI has been helpful, and we have taken on board a number of issues that it has raised. We think that that method will be faster than setting up a board, which would require rules, regulations and appointments. We will be able to get compensation to people from the moment of Royal Assent, which employers and insurers will, where appropriate, be able to claim back. The system will be swifter and simpler for victims—the hon. Gentleman supports the new clause, and he knows that our main focus is getting compensation to victims as swiftly as possible.

On retrospection, amendment No. 8 allows the provision to be retrospective, which means that it will apply to claims settled or determined on or after 3 May 2006—the date of the Barker judgment—and it allows parties to seek the variation of any such settlement or determination. It will also apply to cases that have not been concluded. We regard it as being of the utmost importance that all claimants affected by the Barker judgment can secure full compensation, including the parties to that case, the parties to the cases conjoined with that case and the parties to cases subsequently settled or determined on the apportionment basis proposed by Barker.

I recognise that this is an exceptional step, but I believe that it is justified. I hope that it will have the full support of this House given the exceptional circumstances and that it will not raise difficulties in relation to compliance with the European convention on human rights. There are number of reasons why that is the case, and I want to set them out.

First, the degree of retrospection is strictly limited and will apply only to a very short period and a very few cases. It is my understanding that following Barker, the great majority of cases that were under way have been stayed pending clarification of the appropriate method of apportionment or in the light of the Government's announcement that they intended to introduce these amendments. I am grateful to the judiciary for waiting to hear exactly what we intended to do before they carried those cases through. In addition, those cases—and any that have currently not been concluded—will have commenced prior to Barker, so the expectation of both claimants and defendants will have been that joint and several liability would apply. We are therefore not interfering with the settled expectations of the parties to any of those proceedings.

5 pm

I believe that it would be unacceptable to provide assistance to future claimants but to leave a small group whose claims are unresolved, or have been concluded on the basis of Barker, to suffer the real disadvantages arising from that judgment—and I therefore believe that the provisions on retrospectivity are therefore proportionate and justifiable. We are talking about barely seven or eight weeks.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): Has my hon. Friend any idea of the number of cases that may have gone through the courts in the period since 3 May following the Barker decision? As she will recall, I referred a case to her following a question that had been put to me by the Liverpool asbestos group, which cited a case that the judge had refused to defer, and with which he insisted on proceeding. As a result, the compensation was supposedly less than it would have been. Under the Government amendment, that case could be heard again, but it would be good to have an idea of the number of cases that have gone through the courts in that time.

Bridget Prentice: My hon. Friend has raised that case with me before. We have tried to find out how many cases there are, and as far as we are aware, the vast majority have been stayed pending the decisions of this House and the other place on the Bill. I am grateful for that, as it means that everyone is in the pre-Barker position. I do not know exactly how many cases have gone through. However, we are allowing this tiny amount of retrospectivity to ensure that people do not end up unjustly penalised because their cases were unfortunate enough to fall within the two months between Barker and the time when the Bill will, I hope, receive Royal Assent.

The Scottish Parliament recently passed a legislative consent motion, and amendment No. 9 therefore ensures that these provisions will apply across the United Kingdom. Colleagues in Northern Ireland have also signalled a wish for the provisions to apply there.

To ensure that claimants receive the benefit of the provisions as soon as possible, amendment No. 7 provides for them to come into effect, together with the provisions in part 1 of the Bill, on Royal Assent. Amendment No. 10 makes the necessary consequential change to the title of the Bill.

New clause 6 would give the Secretary of State the power by regulation to establish a mesothelioma compensation board and to define its functions and powers. As I said to the hon. Member for North Southwark and Bermondsey (Simon Hughes), it would be premature to create a statutory power of that nature.

As I said in introducing new clause 13, the legislative action that we are taking to reverse the effects of the House of Lords decision in Barker is just a first step, and we fully agree that more can be done to improve the system for dealing with these claims and to ensure that claimants receive the compensation to which they are entitled as quickly as possible.

With that in mind, officials in my Department and in the Department for Work and Pensions are working with stakeholders such as the ABI, the Association of Personal Injury Lawyers and the TUC to identify ways of speeding up claims. A number of suggestions have already been made about how that should operate, and we are discussing how to speed up the tracing of employers and insurers and how to make best use of specialism throughout the system by insurers, lawyers and the courts. We are also considering all the options and working with stakeholders to find a fair and workable solution. I believe that until that work is completed, it would be premature to take powers in legislation to adopt a particular approach that might not in practice turn out to be the most appropriate.

New clause 7 creates a cause of action in cases where a chemical or substance has lodged in the body as a result of negligence or breach of statutory duty; whether or not any symptoms have been caused at the time that the action is commenced or brought to trial. My hon. Friend the Member for Hendon (Mr. Dismore) raised the issue of pleural plaques on Second Reading, and the focus of this provision may be intended to create a cause of action in respect of pleural plaques.

As I said both on Second Reading and in answer to parliamentary questions, pleural plaques are small localised areas of fibrosis found within the pleura of the lung caused by asbestos exposure, which do not impair lung function. They are an indicator that a person has been exposed to asbestos in the past and may have a slightly increased risk of going on to develop a more serious asbestos-related illness in the future.

The question of whether pleural plaques should be a compensatable disease in respect of which a cause of action can be brought is currently the subject of an appeal to the House of Lords, so I do not believe that it is right for the Government to pre-empt the Law Lords' consideration of those cases by legislating in that way at this time.

Chris Bryant: But if the judges get it wrong, which they seem to do quite often, what legislative remedy would be available in the fairly near future?

Bridget Prentice: I hope that, with the debates going on here and in the other place and with the careful consideration of the judges, they do not get it wrong. However, I can tell my hon. Friend that the Department for Work and Pensions will be launching a Bill in the not too distant future. It is not for me to say at this stage, but if such a Bill were to be introduced, my hon. Friend and others would be able to lobby my colleagues in the DWP to establish whether further legislation was appropriate.

To return to the new clause, it is undesirable in itself. It is worded in very general terms and could potentially extend to a range of other situations where no actual damage is apparent at the time an action is commenced or brought to trial. That could create confusion and uncertainty in the law and lead to extensive and costly litigation over the possible circumstances in which it applied.

On new clause 8, prior to May 1987 service personnel were prevented from pursuing claims for compensation from the Ministry of Defence by section 10 of the Crown Proceedings Act 1947. Crown immunity prevented claims from being made prior to 1947, but section 10 was repealed by the Crown Proceedings (Armed Forces) Act 1987. Since the change in the law, which was not made retrospective, service personnel who suffer loss or injury as a result of negligence by the Ministry of Defence have been entitled to make common law claims for compensation. When compensation claims are submitted, they are considered on the basis of whether the Ministry of Defence has a legal liability to pay compensation. Where there is a legal liability to pay, compensation is paid.

At the time of the passage of the 1987 Bill, the question of retrospection was debated and motions to allow members of the armed forces, past and present, to pursue claims for injury or death suffered in incidents since 1947 were moved, but either defeated or withdrawn. The prevailing view at the time was that, short of trying to cover all incidents and all types of injury going back to 1947, there was no logical point at which to draw a line, and that making the Act retrospective would create many new examples of unfairness and injustice.

That clearly shows the difference between the retrospectivity that we are introducing in specific cases and more general retrospectivity, which is not the way forward. The perceived unfairness in the way in which claims for compensation from former service personnel suffering from an asbestos-related disease were handled was the subject of a review, the outcome of which was announced in 2001.

Careful consideration was given to this apparent unfairness in compensation arrangements, and to the scope for providing additional help. However, the review demonstrated that compensation through war pensions and allowances or under the common law can be shown to be broadly comparable over time, and that there was therefore no general unfairness in the way in which these claims were handled. As it would be inequitable to treat this group in isolation in terms of common-law compensation, thereby creating many examples of unfairness and injustice, Ministers at the Ministry of Defence decided not to make any changes to the current arrangements, and that remains the Government's view.

On that basis, I hope that the House will support new clause 13 and attendant amendments, which will ensure that mesothelioma sufferers can get the compensation that they need and deserve. I also hope that other amendments will be withdrawn at the appropriate time.

Mr. Heald: We welcome new clause 13, which will overturn the recent judgment in Barker *v.* Corus. We are dealing here with a matter of public interest. It is important to recognise that the Government took the case to the House of Lords as a test case. It is more than

[Mr. Oliver Heald]

odd, therefore, that although the judgment was delivered in May 2006 the Government are now introducing emergency legislation to overturn what they argued for in court as recently as six weeks ago.

The Minister rightly says that Miss Barker brought one of the cases and that another applicant—plaintiff—brought another case against companies that are now under the umbrella of British Shipbuilders, a statutory corporation that is owned entirely by the Government and sponsored by the Department of Trade and Industry. Therefore, a Minister in that Department agreed to the Government taking the case all the way up to the House of Lords to establish something that now—just a few weeks later—they think is so unpalatable that they must introduce emergency legislation.

The solicitor who acted for British Shipbuilders has written to me making the point that this is a matter of public interest. The public are entitled to know the identity of the DTI Minister who made that decision, how much the Government have spent on these cases that have gone through all the courts up to the House of Lords, and whether the decision made in the House of Lords will now be overturned. Will Miss Barker get her costs, and what exactly was going on, because this is not an advert for joined-up government?

Mr. Redwood: I am grateful to my hon. Friend for bringing this conundrum before the House. He might be right that the fact that people did not talk to each other was a result of a lack of joined-up government, but if that were the case I would be surprised, as the civil service is usually very good at clearing such matters. Could it not be that people thought that they could get away with this, then discovered how embarrassing it was and, having seen the strength of representations, have now had second thoughts?

Mr. Heald: Ministers suggested in meetings that this was all to do with the insurance industry, but in fact the industry funded none of the cases that went to the House of Lords under the Barker *v.* Corus umbrella: the Government funded two of the cases and one was funded privately. Those test cases were pursued because a lot of former Government employees, who worked in the Ministry of Defence and other Departments, were exposed to asbestos. This will be expensive for the Government in the long term, and I guess that they were attempting to ensure a smaller bill than they might otherwise have.

There must have been a moment—I imagine that it occurred in the Department for Constitutional Affairs—when someone suddenly said, "What have we done?" It was at that point that the decision was made to reverse this, and to do so quickly. I welcome that.

Simon Hughes: I share the hon. Gentleman's view of the strange history of these matters. One of his colleagues asked the Under-Secretary whether she could provide an estimate of the cost of the proposal. Has he, from his contacts or work, been able to come up with an immediate estimate for the first set of claims or an annual estimate thereafter?

5.15 pm

Mr. Heald: That is extraordinarily difficult to do because the cases will not peak until 2020 and the disease is unpleasant and difficult. The insurance industry has provided an informal estimate of up to £15 billion.

Mr. Greenway: The all-party insurance and financial services group was briefed on the matter only last Tuesday. There are some 2,000 asbestosis-related deaths per annum. Average life expectancy after diagnosis of mesothelioma is one to one-and-a-half years. The average settlement is £150,000. We are therefore considering probably £15 billion over five years and perhaps as much as £30 billion over 10 or 15 years.

Mr. Heald: I heard a similar figure. The Government will doubtless be considering their liability, Department by Department, on the new basis. However, I know from previously asking the question that Ministers do not have an estimate in mind.

Mr. Frank Doran (Aberdeen, North) (Lab): The hon. Gentleman makes a mountain out of a molehill. He knows that, before Barker, the Fairchild case dramatically altered the way in which liability is assessed. Any Minister worth his or her salt who was given legal advice about the implications of that would be duty bound to follow it and do what was done in the Barker case. When the Conservative party was in government, similar things happened. It is great fun to develop conspiracy theories, but they have no basis in fact.

Mr. Heald: The hon. Gentleman should not talk in terms of conspiracy theories. That always worries me. Let us consider the position of Miss Barker. Her case could have been settled on the Fairchild basis of joint and several liability. There was no reason not to do that. However, the Government decided to make it a test case, take it all the way to the highest court in the land—the House of Lords—and see what the judgment would be. Given the Under-Secretary's position today that Fairchild is correct and the right law for our country, it is odd to have gone all the way to the House of Lords, arguing something completely different, barely six weeks ago.

Bridget Prentice: Let me clear up the matter once and for all and add to the comments of my hon. Friend the Member for Aberdeen, North (Mr. Doran). The hon. Gentleman suggests that the Government tried to avoid paying compensation. Our ability to introduce amendments so quickly shows that every member of the Government who is involved in the matter recognised the importance of reversing Barker. There was no shilly-shallying about that. It is nonsense to suggest otherwise.

Mr. Heald: The Under-Secretary knows that I have the highest opinion of her kindness and consideration. I am sure that, if she were faced with the difficult position post-Barker, especially with all her colleagues making representations to her, she would do the right thing. However, can she name the Department of Trade and Industry Minister who gave the go-ahead for the case to be pursued all the way to the House of Lords? Was it the current European Trade Commissioner? We are entitled to know.

Mr. Andrew Dismore (Hendon) (Lab): Will the hon. Gentleman give way?

Mr. Heald: I must make some progress. The hon. Gentleman has much on the selection list and we will hear from him later.

As I said earlier, what we are considering is hardly an example of joined-up government. However, we support the Government's decision to reverse the court decision. It is important to be sure that it goes as far as necessary.

Nick Starling, director of general insurance at the Association of British Insurers, said that the organisation remains concerned that the new clause still does not tackle some of the problems that the ABI identified. He said that, in particular, analysis of several scenarios revealed a danger that some claimants will not receive full compensation. That is likely to occur when all the defendants are insolvent and there are gaps in insurance cover. I would be grateful if the Minister gave a fuller response than the one that she gave earlier about that, because it would be good to get this matter sorted out at this stage.

Mesothelioma is a dreadful disease. It is caused by asbestos fibres and can lie dormant for 30 to 40 years. Following diagnosis, it is incredibly aggressive and often leads to death in one to two years. It is a very painful and distressing condition, and it is often the result of a failure to provide a safe system of work. Not every sufferer will have a legal case, but some of those who do cannot trace their former employer or his insurer. The problem with doing no more than reversing the Barker judgment is that it will do nothing to speed up compensation, to make the process less adversarial or to give those who cannot trace their former employers or their insurers access to justice. Such a move would also require expenditure on legal costs that might not be strictly necessary.

There is a case for establishing a scheme to compensate those who have a case and to provide for later recovery and apportionment of damage, and I am pleased that the Minister is having discussions on this matter. My new clause 6 would enable her to take legislative powers now. She has told the House that the Department for Work and Pensions will make a statement on mesothelioma. Is a separate body part of the solution that is being considered?

Mr. Dismore: The hon. Gentleman has not made it clear who would foot the bill for the scheme that he proposes. Is he suggesting that it should be the Government, or perhaps the insurance industry, through a pool system such as that used for motor accidents involving uninsured drivers?

Mr. Heald: As the hon. Gentleman will know, discussions are continuing. I understand that one of the suggestions on the table is for a system similar to that in Holland. I recently attended the *Insurance Times* conference, at which representatives of the Association of British Insurers were giving their ideas on this matter. They felt that it would not be necessary to go as far as the hon. Gentleman suggests, but that if we were able to take the liability of the compensation scheme, of the Government and of the insurers, and to apportion claims on that basis, no additional funding would be required from the Government.

That would have to be fully discussed. I think that the hon. Gentleman would agree, however, that it would be good if we could take a large proportion of the legal costs out of the equation. I realise that he might find that difficult, given his background of 15 years with Thompsons and several years with other solicitors working in the claims field. One of the most important aspects of the claims is that of legal costs, and of how much money is being taken out of the system by claimants' solicitors and others.

Does the Minister agree that it will be necessary to have appropriate rules of court to underpin the workings of new clause 13, and particularly of subsection (4)? Can she give us an assurance that Ministers will do all that they can to ensure that such rules are agreed and adopted as soon as possible? In particular, claimants will have to give enough information about their work history at an early stage to allow a fair apportionment of contributions to be made or agreed between defendants. The Minister said that that might be covered by secondary legislation, but does she agree that it will also be necessary for the rules committee of the High Court to make a decision on this matter? I believe that it will also be necessary for the committee to make a decision on the mechanisms necessary to effect the proposed simple system of apportionment taking into account the length of the period of exposure, but with a court discretion to adopt a different measure in exceptional cases. It would be helpful if Ministers were prepared to use their good offices to help with that process and to encourage a speedy outcome on the rules.

While on technical matters, I also wonder whether it might be wise to explain, in proposed new subsection (5) to amendment No. 8, that only a claim affected by the section dealing with mesothelioma damages may be reopened. I also wonder whether the word "only" should appear after "settlement" in proposed new subsection (5)(c) and after "determination" in proposed new subsection (6)(c). The Minister might wish to consider these technical drafting points before the Bill is considered in the other place.

I am sorry to tell the hon. Member for Hendon (Mr. Dismore) that I do not support his new clause 7. I believe that it would be premature to accept such a proposal when the case of Rothwell *v.* Chemical & Insulating Co. Ltd is about to go to the House of Lords. I also wonder how confident he is that the decision is the right one, as he must recognise that if every risk became a cause of action, with damages attached, that would mean a lot more work for claimants' lawyers. In the case of Rothwell, the Lord Chief Justice, Lord Phillips, said:

> "Litigation is expensive and under our system the costs fall to be borne by the unsuccessful party. We consider it plainly desirable that claimants should not be permitted to pursue claims for trivial injuries. The fact that negligence has produced a physiological change that is neither visible nor symptomatic and which in no way impairs the bodily functions should not attract legal liability."

He went on to say that the costs of litigation in cases such as those before us tend to be disproportionate to the damages recoverable.

[Mr. Heald]

When the hon. Gentleman speaks to his new clause, which he has registered an interest in doing, I would be grateful to know whether he really believes that the mere risk of damage, which might be tiny, should be actionable. If so, why does he say that? I accept the Minister's view that the wording of his new clause is loose and unambiguous, and that it could allow a range of cases that do not currently attract liability to do so—for instance, those of pedestrians who have inhaled exhaust fumes, people who have eaten fatty food, home owners who have inhaled paint fumes while decorating, or those who have drunk a hot drink from a machine. All those people have taken risks. Is the hon. Gentleman seriously saying that they should all attract compensation, regardless of whether they have suffered any injury, simply on the basis that they are worried about it?

Mr. Dismore: Of course not, but my amendment refers to the lodging of a substance, whereas the hon. Gentleman's examples are purely transitory and do not lodge in the body.

Mr. Heald: The hon. Gentleman will correct me if I am wrong, but it will take the courts many a long year to work out what "lodging" means. Does he accept that a range of issues relating to time limitation will be raised? *[Interruption.]* I hear the Cambridge law faculty agreeing. If "lodging" is the triggering factor, it seems to me that there will be plenty of work for those whom the hon. Gentleman knows well.

I agree with the Minister that the hon. Gentleman's new clause would be a fundamental change to the legal framework and principles of common law, with wider ramifications. Those are the main points about the first group of amendments. We will certainly support the Minister on new clause 13.

Mr. Clapham: I thank my hon. Friend the Minister for introducing the new clause, which will restore fairness where there was unfairness following the Barker decision on 3 May. Put succinctly, it would say that where a person develops mesothelioma as a result of being subject to a risk, the person who exposed them to the risk is liable severally and jointly. That is how it should be. As the law stood, enormous unfairness was created, and the Minister explained how it could impact to reduce damages. For example, a widow who might have been able to trace only two of her husband's 10 employers would have received just 20 per cent. of the damages. Clearly, that was unfair.

There will be a very large number of such cases, as there are 2,000 diagnoses a year. The hon. Member for North-East Hertfordshire (Mr. Heald) referred to costs running to perhaps £30 billion. Looking to the future, however, means that there can be some certainty about the bills that the insurance industry, as well as Government, will face, and some preparation can be made.

5.30 pm

We know that the number of claims will be significant. It has been suggested that over 50 years there could be more than 180,000, because people have been exposed to asbestos since the 1950s. I think it fair to say that no employer could argue that he or she was not aware of the effects of asbestos from 1965 onwards. Clearly we must deal with the issue, and I believe that my hon. Friend the Minister has tackled it very fairly.

In summing up the debate, my hon. Friend may tell us whether people will still be able to claim under the Pneumoconiosis Etc. (Workers' Compensation) Act 1979 once the position before 3 May has been restored. The Government made it possible for them to do so at the time of the Fairchild case. People were queuing up behind that case, waiting to get their own cases into court. Given the seriousness of the disease from which they were suffering, the then Secretary of State introduced the potential for them to claim under the Act.

The hon. Member for North-East Hertfordshire said that my hon. Friend the Minister was thinking kindly. The Labour Government at that time were much more compassionate than, for instance, earlier Tory Governments. One example is the Tory Government's refusal in the early 1990s to implement a scheme for miners, although it would have saved the taxpayer an enormous amount of money.

Mr. Heald: The hon. Gentleman knows as well as I do that the Government set up the compensation scheme following a court ruling. In effect, they had to set it up because of the ruling.

Mr. Clapham: The hon. Gentleman will be aware that when we were arguing for such a scheme, his party in government took the view that the medical knowledge of the day could not distinguish damage done to the lungs by dust from damage done to them by smoking. That was what led to the unions taking the case to court. We found that medical evidence had been available to the Government, including the findings of a longitudinal study of miners in Belgium. The Government used it when they introduced the industrial injuries disablement scheme for chronic obstructive pulmonary disease, but it was left to the present Government to implement this scheme. I agree that it might have been devised in a different way, but it was introduced in its present form, and it has brought a great deal of help to elderly miners suffering from COPD.

My hon. Friend the Minister should also be congratulated on the retrospectivity in the new clause. Some cases will have been trapped between 3 May and the date of Royal Assent, and we need a mechanism for dealing with them. I believe that the Bill provides such a mechanism. As the hon. Member for North-East Hertfordshire said, there may well be cases in which the employer or the insurance company cannot be traced and a claim must be made under the Financial Services and Markets Act 2000. Perhaps we can try to ensure that almost the full value of a claim can be obtained.

The hon. Gentleman referred to the Minister's discussions about the type of scheme that would be introduced. I have always been a scheme man for these kinds of cases. I hope that we will look at embracing the total number of mesothelioma cases and include in the scheme, for example, members of households who have been exposed to the fibre brought home on a worker's clothes. People in that position cannot claim industrial injuries disablement benefit. That may be another area that we need to look at when we get the Green Paper on industrial injuries. However, overall, the new clause is good. It makes the Bill a substantial measure and I congratulate the Minister on it.

Simon Hughes: May I first pay warm tribute to the hon. Member for Barnsley, West and Penistone (Mr. Clapham)? He, naturally, because of his constituency and background—but not necessarily because of that—made it clear that the issue would not go away from our deliberations in Parliament and I unreservedly pay tribute to him for that.

I thank the Minister for her commitment to ensure that, if it were humanly possible, the new clause and the other new clauses and amendments would be included in the Bill during its passage through this House. In the debate on Second Reading, the issues were well and truly aired. She made a commitment to do what she could. At the beginning in Committee, we said that we were happy to take the new clause in Committee if it were possible. It just was not. I do not blame anyone for that and the Minister has kept us all well informed at all stages. I am pleased that we have the opportunity to include the new clause before the Bill leaves the Commons, which is the right place for the matter to be discussed, and where people who represent past, present and prospective sufferers of this terrible disease can express their strong views on behalf of their constituents.

One or two of my colleagues have raised the matter before. I mention them because they, like colleagues on both sides of the House, have, perfectly properly, a constituency interest in these issues. My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) was supportive the other day on the basis that there should be a scheme, which should be moulded to look after the people who are suffering. My hon. Friend the Member for Dunfermline and West Fife (Willie Rennie) has in his short time in the House already expressed an interest, as has my hon. Friend the Member for Rochdale (Paul Rowen), who again has an obvious constituency commitment. I made it clear from the Front Bench on Second Reading that the Liberal Democrats would do all we could to facilitate the speedy passage of the legislation.

There is one technical point. Perhaps there is more than one, but there is one important technical point that my hon. Friend the Member for Cambridge (David Howarth) will want to raise about the specific implications of these proposals for the law and about the importance of getting all this right. It is important that we do not go back to the position of the law before the Barker *v.* Corus case and discover that people who want to be included are excluded. I will leave my hon. Friend to make that case, if he catches your eye, Madam Deputy Speaker. We must ensure that we do not lose opportunities to adjust the scheme if there is anything we need to do to catch everyone we need to catch.

I will make some quick points because many other colleagues want to speak. This disease is serious and sudden in its manifestation and consequences. It affects people who have worked away, often in dangerous and hard jobs, in all sorts of industries— mining, shipping, industrial warehousing, as laggers, painters, doing all sorts of jobs—and discovered, after what could be a long lead time, that they are suffering from mesothelioma and that the asbestos fibres may eventually have fatal effects. The hon. Member for Barnsley, West and Penistone made the other point that it is not just the workers; it is people who have come into contact with them, normally wives, but even other family members, too. This is about trying to find a scheme that covers the significant number of people who have been affected.

We have heard the figures and I think we agree about them: 2,000 a year, peaking only in about 14 or 15 years and then continuing. So a lot of families are affected, and sometimes more than one family member is affected. In some cases, the father or husband has died or become ill, and other family members are affected later. It is right that we should seek to address the issue.

I only ever had one major concern and, from conversations with the Minister and colleagues, I believe that it has been addressed. I was concerned that Parliament should not legislate retrospectively if that adversely affected the rights of anyone who had not agreed with the change. That is an important principle of law. It was therefore sensible that the courts stayed almost all the cases under consideration—the hon. Member for Barnsley, West and Penistone raised one case that might have slipped through the net—once they realised what the Government were doing. It is important that the legislation covers those cases that will be the subject of litigation in the future, but the Minister has been able to assure me and others that, because the insurers have agreed, retrospective change is not a problem. In recent years, the House has only once legislated to change the law retrospectively, on war crimes. It was controversial, but was regarded as so important that, after great difficulty in reaching agreement, Parliament decided to do that. It is an important principle that individuals and companies know what the law is, so we should not normally change it retrospectively. In this case, my understanding is that those whom the retrospective change will adversely affect have all signed up to it, because natural justice demands that people are not left suffering without a scheme to help them.

I asked the Minister how we can ensure the law is implemented as quickly as possible. Hon. Members said on Second Reading, in their lobbying and in Committee, that once the legislation had been sorted—with the help of the draftsmen and women—and the Lords had agreed it, we wanted to be able to move quickly. I accept the Minister's comments about it being quicker to use the process that she has described for working out the compensation than to have a separate independent board, which was my initial preference. It was also suggested by the insurance industry initially and by the hon. Member for North-East Hertfordshire (Mr. Heald).

I am slightly troubled by one remaining issue. The Bill will, I hope, be put into its final form today and pass through its stages in the Lords before the summer recess. However, from what the Minister said, it sounded as if we will have to wait until after the recess for the regulations to be laid and agreed, and only then will it come into force. That could be another six months wait. I hope that the Minister will clarify whether that is a fair assessment when she winds up. I do not wish to be unreasonable, but I would remind her that one of the reasons for the new clause is the need for speed to help people who are ill and suffering today or are the bereaved relatives of those who have suffered in the past. The life expectancy after diagnosis can be very limited—months or perhaps not much more than a year—so time is of the essence. I hope that we can work together to get the regulations on the statute

[Simon Hughes]

book by agreement of both Houses, so that people may receive the compensation they need for an illness that was an unexpected consequence of working in this country's interest in all sorts of places over many years.

5.45 pm

Mr. Dismore: Having been foreshadowed by the hon. Member for North-East Hertfordshire (Mr. Heald), I remind the House that I have been a personal injury lawyer for many years—indeed, for rather longer than he indicated. I retain a practising certificate and am a consultant to my law firm, although I do not practise. I am also a member of the Association of Personal Injury Lawyers.

I congratulate the Government on new clause 13. It is a realistic response to an urgent problem and the hon. Gentleman was somewhat churlish about it. No matter who appealed the case, sooner or later, given the aggressive approach that the insurance industry is increasingly adopting towards personal injury cases, someone—an insurance company—would have taken it to the House of Lords. It is serendipitous that the decision taken in the House of Lords happened when there was still sufficient space to decide what should be done and to let the Government table amendments today to put matters right in the Bill. Had that not been the case, it might have been a long time before an opportunity arose to put right the problems created by the Barker judgment. On the same serendipitous note, and for similar reasons, I hope that the Minister might think again on my new clause about pleural plaques.

The hon. Member for North-East Hertfordshire keeps going on about legal costs. The answer on that is in the hands of the insurance industry. If it does not fight cases so aggressively and admits liability where appropriate in good time, legal costs do not mount up. Frankly, in most asbestos cases, the legal costs are not the huge proportion that he seemed to suggest of the £150,000 awarded in mesothelioma cases. I suggested many years ago, and it is even more relevant now, that we should set up a register of employers' liability insurance, so that if a company goes broke or ceases to trade, or if an insurance company ceases to trade, there is a record for 10, 15 or 20 years later of who carried insurance risks at a particular time. That would be a helpful way forward.

I shall talk about my two new clauses. New clause 7, as my hon. Friend the Minister anticipated, is about pleural plaques. She referred to the fact that the half-dozen test cases known as the pleural plaques cases are going to the House of Lords and questioned whether my new clause was framed in rather general terms that could incorporate other situations. It is indeed a general amendment; I would like to try to anticipate what may happen in future. However, it is primarily focused on pleural plaques and I cannot think of any other case at present that it would incorporate, and nor, I think, can anyone else.

There has been a problem on pleural plaques only for the past few months. For 20 years, the principle of compensating for the injury of pleural plaques has been well established in the courts. Compensation, until one particular case came up in the Court of Appeal, was usually in the region of £6,000 to £7,000, linked to provisional damages. Provisional damages are important in this respect for reasons I shall come to later. In the pleural plaques case—sometimes known as Grieves, sometimes as Rothwell—the six claimants were all negligently exposed by the defendant employer to asbestos dust. That exposure had three foreseeable consequences. The claimants developed pleural plaques; they are at risk of developing one or more long-term asbestos-related disease; and they are at risk of developing anxiety. In fact, Mr. Grieves developed a recognised psychiatric injury.

Generally speaking, the view developed in the courts up until that case was that aggregating the three elements meant that sufficient damage to found a cause of action could be established. The Court of Appeal, in a majority decision, decided that that was not so and that the three had to be looked at disjointedly. In those circumstances, compensation would not follow. I prefer the dissenting judgment of Lady Justice Smith, who took the round approach adopted in the courts for the previous 20 years, when the question was simply a question of fact to be determined in the individual case.

This issue is important. In the judgment of the Court of Appeal, the word "policy" appears in the words of the Lord Chief Justice. Policy, in my view, is a matter for this House as much as, if not more than, one for the courts. It is for this House to decide whether people who suffer from pleural plaques ought to be compensated, as they have been for the past 20 years. The Lord Chief Justice said that it was important that claims be brought within reasonable time, and I agree. He said litigation should be finite, and I agree with that, too. My concern is that the very fact of bringing a claim for pleural plaques means that liability is determined in relation to the claimant's exposure to asbestos in a timely fashion, early on when the diagnosis of pleural plaques was made. If, 10 or 15 years later, the victim happens to contract one of the more serious diseases—asbestosis or mesothelioma—the issues of liability have already been determined and decided through an award of provisional damages and the victim can come back to the court quickly, if the case cannot be settled, to obtain the compensation needed for the substantial sum. That is why the question of pleural plaques is important when one is considering timely consideration.

We need to look at the effect on the victim, too. In the Grieves case, the victim developed a recognised psychiatric injury but, because the Court of Appeal had concluded that pleural plaques was in itself insufficiently significant, he could not claim for the psychiatric injury because, as we know from other precedents, it has to be linked to a physical injury in the first place.

Mr. Heald: I have already set out one or two examples, but I should like to give another—the measles, mumps and rubella vaccine. If somebody was worried about the risk from the MMR vaccine, could they not bring a claim under new clause 7? The situation would be similar with almost anything else, such as exhaust fumes or particulates. If there was anything that a person was worried about, they could bring a claim under that provision. Does the hon. Gentleman really think that that is sensible?

Mr. Dismore: I do not agree that my new clause would have that effect. The hon. Gentleman will be aware that MMR cases have been litigated ad extenso for some considerable time without great success. I dealt with his other points in my earlier intervention.

The provision is important because many cases result in fatality, as has been said, so if we can resolve the pleural plaques issue early, those fatal cases could be resolved quickly, too. As a consequence of the cases I mentioned, there has been a huge windfall for the insurance industry but a great loss for those who suffered from the negligence of their employers.

The proper basis for an award in respect of pleural plaques is straightforward. We should have to show initial exposure to asbestos, coupled with ingestion, followed by permanent penetration of the chest by asbestos fibres—as happens with pleural plaques—that remained as a catalyst for future harm causing physiological damage, creating the risk of a future disease that can be assessed and engendering suffering in the form of anxiety. Putting all those things together gives us something that is rather more than an insignificant injury, and it should be compensatable.

All the policy issues point in the same direction, too. The existence of pleural plaques requires that a person is exposed to asbestos in the first place. The large number of potential victims indicates that a significant section of society was unprotected, notwithstanding the legislation that was supposed to help at the time. This is not a case of employers being retrospectively made responsible for something for which they could not plan. The economic needs of employers have to be placed in the context of their obligations to society as a whole. There are no floodgates to be opened, because, until January this year, such claims had existed for more than 20 years without the courts being overwhelmed by litigation. The insurance industry has known of the problem—as has industry itself—for a long while and has had plenty of time to make provision for the potential cost of claims.

To accept that organic change—which is what pleural plaques amounts to—is actionable is not to lower the burden of proof, because it will still be for the claimant to show that exposure was the fault of the employer. To accept the defendants' arguments sends out the wrong signals: to employers about the need to take care; to the insurers about their tactical use of the justice system, as in the Grieves and Barker cases; and, more important, to the general public about the ability of the courts to deal with problems that they have been handling for 20 years without ever having been doubted. If we are concerned about certainty in the law, could there be a more important example than this one? We have to find the right balance between claimants and defendants and, as a consequence of that Court of Appeal judgment, the present balance in relation to pleural plaques is woefully wrong.

My second new clause deals with the Crown Proceedings Act 1947. When my hon. Friend the Minister opened the debate, she gave the arguments that I was expecting. She referred to the debates in 1987 about retrospectivity. I remember them well, because I was lobbying for retrospectivity at the time, although not so much in the context of today's debate. In 1987, the explosion of asbestos litigation had not really occurred; cases were just starting to come through, but not in the great volume that we see at present, and certainly not in relation to the problems of service personnel.

The argument about limitation was primarily to do with ordinary accident claims where the limitation period would have been three years. If my new clause were accepted and implemented, it would not affect those cases, because they would be caught by the limitation period, which has long expired, post-1987. Furthermore, the provision does not deal with accidents; it is limited to disease, with particular reference to asbestos.

My hon. Friend referred to the 2001 review. I remember lobbying the Ministry of Defence about that and listening to its rather spurious arguments that the benefits available through the war pensions scheme were equivalent to common law benefits if calculated over time. I am sorry to say that the MOD was not prepared to put those calculations to an actuarial assessment to find out who was right—it or me. I am pretty sure that I was right.

My hon. Friend was correct in saying that the problem arises from section 10 of the Crown Proceedings Act 1947 and its replacement by the provisions of the Crown Proceedings (Armed Forces) Act 1987, which repealed it in large part. The best illustration of the problem is the 1998 case of Quinn *v.* the Ministry of Defence, where the claimant, during his service in the Royal Navy, had stripped asbestos insulation from boilers and pipes that caused both pleural thickening and mesothelioma. The Court of Appeal held that the Crown had immunity from litigation due to the 1947 Act, because the exposure to asbestos took place before 1987, even though the symptoms did not manifest themselves until long after. That is the basic problem with which we are grappling in relation to asbestos. We are trying to put right problems created by the law as it stood in the past and by exposure to diseases and hazards long ago.

The difficulty is that that serviceman, like many others, was exposed during his service—for some of them it was during their national service—especially in the Royal Navy but in other branches of the forces, too, long before the 1987 Act was amended. Years later, they find that they have a medical condition, yet they have no legal redress whatever. That is a manifest injustice, which is made even more unjust by the sort of cases that I used to deal with on behalf of civilians who had worked in MOD dockyards side by side with servicemen stripping, repairing or refurbishing ships. The civilian was entitled to bring a claim for damages and obtain £150,000, or whatever the amount happened to be, as compensation for mesothelioma, yet the person at his side, who had done exactly the same job but happened to be wearing the Queen's uniform, could not receive compensation. That is not fair or right, which is why I passionately believe that we must accept the proposals that I have promoted today.

I hope that my hon. Friend will ask the MOD to reconsider its position. It is grossly unfair that people exposed to exactly the same hazard are treated so differently due to a mistake made in 1987 when people did not realise the problems that would occur 20 years later.

David Howarth: I remind the House of the interest I declared on Second Reading, which is that I occasionally receive a royalty or two from books I wrote or to which I contributed on these subjects.

Like my hon. Friend the Member for North Southwark and Bermondsey (Simon Hughes), I want to raise a point about the drafting of new clause 13 that may have effects that the Government do not intend. I ask them to consider my points before the Bill goes back to the House of Lords.

The problem is that the Barker case was about two different issues. The first related to the Fairchild rule, which was a relaxation of the rules of causation in favour of claimants, and whether it would extend to cases where part of the exposure to asbestos had come not from an employer but from a period of self-employment by the claimant. The second issue has caused the most difficulty: whether the apportionment of damages should be made on the basis of the traditional rule of joint and several liability or a new rule of proportionate several liability.

The problem in Barker was that three of the Law Lords decided the first issue, the extension of the Fairchild rule, in favour of the claimant, but the second issue—switching to proportionate several liability—in favour of the defendant. More to the point, the Law Lords linked those two decisions; they come as a package deal. I will read from the speech by Baroness Hale of Richmond in the House of Lords, which makes the point very clearly. In paragraph 128, she says:

> "One way of explaining Fairchild is that all were in breach of duty and one of them must be guilty, so that it made sense that all should be liable. That rationale does not apply, or certainly not with the same force, if there are other, non-tortious causers in the frame. But if the tortious exposers are only liable in proportion to their own contribution to the claimant's overall exposure to the risk of harm, then the problem does not arise."

6 pm

Why is that a problem? It is a problem because, given that those two issues were decided together as a package deal, if one of them is reversed, that raises the question of what the courts will do about the other. If we simply go back to joint and several liability, overturning the decision of the Law Lords on the issue of apportionment, the danger is that the Law Lords will say, "In that case, the claimant in Barker can't win at all. In fact, there is no liability to the claimant in Barker." If that happened, that claimant would be in a worse position after the Bill than before it. At present, under the Barker decision, at least they can get some damages if they can find one of the various employers who will pay—who is in a position to pay. However, after the Bill goes through, there will be no liability at all and they will get nothing.

The question is whether the drafting of new clause 13 overcomes that problem. I fear that it does not. One argument might be that subsection (2)(a) of new clause 13 states:

> "irrespective of whether the victim was also exposed to asbestos—
>
> (i) other than by the responsible person, whether or not in circumstances in which another person has liability in tort".

One could say that that covers the problem and that what is intended is to reverse only the pro-defendant aspect of Barker, not the pro-claimant aspect. The trouble with that interpretation of the new clause is the way in which subsection (1) is written. I hope that the Minister will take this point on board. Subsection (1) states, "This section applies where" and then it lists four conditions. The fourth condition is:

> "the responsible person is liable in tort, by virtue of the exposure mentioned in paragraph (a)".

In other words, not by virtue of the exposure mentioned in subsection (2). That means that subsection (1) comes first and one has to decide whether the claimant was liable in tort on the basis of the old law, or the law as the courts put it, not on the basis of the rest of the new clause. That gives rise to a serious problem in relation to what the effect of the new clause will be.

There are two points for the Government to clear up. First, what exactly do they intend in relation to Barker? Do they intend to reverse only the aspect of Barker to do with joint and several liability and to leave alone the case's extension of the Fairchild rule, or do they intend to allow the courts to decide what to do about that other aspect? Secondly, if they do intend that both aspects of Barker should be decided in favour of the claimant, are they confident that the present drafting of the new clause achieves that aim? All I ask them to do is to consider those questions.

Mr. Doran: I add my congratulations to those already given to the Minister by my colleagues. I draw attention to my entry in the Register of Members' Interests and declare an interest as a member of the GMB union and an interest in relation to Thompsons solicitors, who were both involved in representing Mrs. Barker. The point made by the hon. Member for Cambridge (David Howarth) is certainly of interest and needs to be studied, but I am not sure that the mechanics of the procedure in this House and the other place will allow it to be examined properly in the time scale available. However, I would be interested to hear the Minister's comments.

I want to be brief, because we have had a full discussion and there has been full consideration. It is important that the Government responded so speedily and compassionately to the problems thrown up by the Barker case. Many previous speakers have mentioned the aspects of mesothelioma that create difficulties—the lack of warning and the speed with which the illness has fatal consequences. The speed is extremely important.

My major point is that none of these matters would have come before the House had it not been for the work of the trade unions, who supported Mrs. Barker and the other pursuers who were involved in the cases being decided by the House of Lords. We are talking about ordinary people doing ordinary jobs who have been subjected to the various elements that caused their illnesses, but who are not in a position, because of the complexity of the issues that they face and the expense, to pursue such matters on their own behalf. The legal aid system is not as helpful as it once was in that respect. Trade unions support their members in this way not just in run-of-the-mill cases, but in difficult cases such as the Barker case and, previously the

Fairchild case. People are supported by the trade union movement to open up the law, to probe it and to deal with these difficult issues. In this particular case, that has led to some difficulty for claimants.

I raised an issue with the hon. Member for North-East Hertfordshire (Mr. Heald) in relation to the problem that the Government face when, on the one hand, they represent the employer in many of these cases—as they do in the case that we are discussing, through the inheritance of the responsibilities of the British shipbuilding company—and, on the other hand, they have to respond quickly to the consequences of the decision. I am sure that he makes the point in all seriousness, but it is important that we on this side do not take it too seriously. If a Minister were faced with legal advice to say that the Fairchild decision makes the Government potentially liable for massive damages because it has fundamentally changed some of the principles of liability, it would be negligent of Government in those circumstances not to have tested the situation. I am sure that any Minister faced with that legal advice would be left with virtually no alternative but to follow it. From the outside, it looks daft and a waste of public resources, but, in any circumstances, anyone with any knowledge of what happens in government would know that that is not the case. It is a course that had to be pursued.

I welcome the extension of the legislation to Scotland. The Scottish Parliament is in recess and has been for the past 10 days or so, so it would not have been possible to legislate there. It is important that, as part of the devolution settlement, we have the process known as the Sewel motion to allow those important decisions to be taken for the whole of the UK. In Scotland, the senior court in civil cases is the court of the House of Lords, so the judgment in Barker will apply in Scotland as much as it applies in England and Wales. That aspect is extremely important.

New clause 6, which was tabled by the hon. Member for North-East Hertfordshire, is a distraction. The immediate priority is dealing with the consequences of the Barker case. Discussions are going on that might lead to a scheme for arbitration, but we will have time to reflect on that in the future. The urgent priority is the Barker decision, so I hope that the Government will not be distracted from that.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): I support new clause 13 and endorse the actions that have been taken since the House of Lords judgment in the Barker case, which caused a lot of turmoil in my constituency, as it no doubt did in others. Clydebank, which is in my constituency, is the proud home of shipbuilding, with the Queens and other ships being built there. However, a consequence of that is that we have the highest incidence of mesothelioma and asbestos-related diseases in the United Kingdom. The judgment is thus crucial to the best interests of many of my constituents.

We have come a long way since Tuesday 13 June, when a Westminster Hall debate was secured under the auspices of my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan). At that time, we asked the Government what they were going to do. Since then, there has been pressure from my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham), who has done a tremendous job. The Prime Minister himself received a delegation of Members of Parliament to ensure that there could be a coherent Government approach.

The Minister has also been involved. On Thursday 29 June, which was the day on which the Scottish Parliament got up, it was not clear that there would be co-ordination between the Scottish Parliament and the UK Parliament. If an agreement had not been secured, the Scottish Parliament would have needed to legislate in September and Scotland would have been a year behind the rest of the United Kingdom. During Prime Minister's questions that week, I was told that there was only a forlorn hope. I also spoke to the Minister, and I must put it on record that she did a tremendous job, along with the staff in her Department, to ensure that we achieved co-ordination. The Scottish Parliament thus gave this Parliament the right to legislate on its behalf about mesothelioma.

I mentioned the fact that Clydebank has the highest incidence of the disease. As several hon. Members have said, there were about 153 incidences of the disease in 1965, but we are now getting to the stage at which there are nearly 2,000 incidences a year. The number will peak at between 2,000 and 2,050 a year by 2015. The disease will be with us for a long time yet, so it is important that we get the situation right.

The Clydebank asbestos group, under the chairmanship of Bob Dickie, West Dunbartonshire council, under its leader, Councillor Andy White, and my colleague Des McNulty MSP are working along with us in my constituency. Indeed, Des McNulty put a Bill before the Scottish Parliament in case things did not go so well between the Scottish and UK Parliaments. However, I know that he and his colleagues in the Scottish Parliament are delighted that an agreement has been secured.

One or two issues remain to be addressed. The situation in which a wife contracts the disease because of washing her husband's apparel has been mentioned. A woman who was one of my close friends died several months ago as a result of asbestosis. The question of retrospectivity is thus important.

We must also consider legal fees. A constituent who visited my surgery on Friday said that although he had been granted compensation of £10,000, his lawyers had written to him to say that they were deducting £1,450 at the moment from an interim award, which would leave him with £235. The lawyers said that he would get the £10,000, but that that would require going back to court and would take a further year. As a result of going back to court, further moneys will come off my constituent's compensation. He said to me, "The quality of my life is inadequate at the moment, so what will it be like in a year's time?" Speed is of the essence, so I urge the Minister to take account of that.

My colleagues have mentioned a no-fault compensation scheme. I am happy for such a scheme to be considered. However, it has been put to me that compensation could be greater in several instances if people took their own cases to court through lawyers. If that is true and the no-fault compensation scheme has the rider that people can still take their cases to court, such a scheme would satisfy both those who want to pursue their cases individually and those who want speed.

6.15 pm

May I mention to the Minister an issue that my constituents have brought to me? An individual who came to see me said, "John, I worked in the John Brown shipyard,"—a famous yard—"for many years in the 1960s and 1970s, but every few weeks I got a notice telling me that someone or other was my employer." In other words, the work was subcontracted, so that an individual would not be able to say that he was working for John Brown's when he contracted the disease. We must thus address the situation of workers who were nominally working in a yard for an employer who was responsible for them, but were, in fact, working for a subcontractor. I do not know whether such a situation has been raised with the Minister before, but if it has not, I would like it to be included as part of the deliberations.

I congratulated the Minister earlier, so I will not do so again. I want a good, efficient scheme.

Mr. David Anderson (Blaydon) (Lab): May I add my thanks to the Minister and congratulate her on coming forward with a speedy response? I raised the issue on the day that the Barker result came out, when I asked the Prime Minister what he could do to give comfort to people suffering from the disease. He said that he was not quite aware of the decision, but that he would do anything in his power that he could. That is exactly what we are considering today.

The most common question that I have been asked since becoming a Member 14 months ago is, "Why on earth do you want to do that?" To be honest, events such as this make me know that I made the right decision in coming here. I am proud of what we are doing across the House to help people's day-to-day living.

The people whom we are talking about should never have been exposed to asbestos in the first place. Although the disease became recognised in 1965, people had known for at least 70 years before that time that asbestos was a substance that should not be messed about with or worked with. That long history shows that asbestos should have stopped being used years ago.

Mesothelioma first came to my attention when a member of my trade union passed out in a bar. That is not uncommon in our area, but it is usually due to alcoholism, rather than mesothelioma. The guy did not know what was wrong with him. He had thought nothing of riding 50 miles a day on his bike and was much fitter than most of his colleagues. He had contracted the disease at least 30 years before while he was working in the shipyards. One fibre, which had probably lain there for those 30 years, came back to claim his life in nine months. Through the work of his widow and other supportive groups in the north-east as part of an organisation called the Chris Knighton mesothelioma research fund, we have managed to raise something like £100,000 to undertake research on trying to combat the disease. I suggest that we should support such groups and give them what help we can from the health service to try to combat the disease, or at least ameliorate its effects.

I want to be clear on my last point. I have read the explanatory note that the Minister has given us today—I thank her for that. It says that subsections (7) to (11) of new clause 13 will mean that responsible persons will be able to claim money back when a liable employer and insurer are both insolvent. Can the Minister help me with the case of my constituent, Mr. Siddoway? He cannot get recompense because his employer and insurer have not only become insolvent, but effectively disappeared off the face of the earth. Will I be able to tell him anything tonight to give him some reassurance that the Bill might help him?

Mr. Michael Wills (North Swindon) (Lab): I am grateful to you, Mr. Deputy Speaker, for allowing me to contribute to the debate. I apologise for my temporary presence in the Chamber, which was due to parliamentary business elsewhere. I wanted to put on record my thanks, on behalf of the people of Swindon, to the Government for the speed with which they reacted to the problem.

I made the substantive case for action in my speech in the Westminster Hall debate a few weeks ago. The way in which the Government have reacted is a great tribute to them. They have brought enormous comfort to my constituents who have suffered directly, or as relatives of sufferers, from the terrible disease in Swindon. The disease is so prevalent in Swindon, mainly because of the railway works in the town, that it is known locally as the Swindon disease. The court decisions that have been the subject of discussion today have caused deep distress in Swindon and to many of my constituents. The sensitive and speedy response from the Government, which is embodied in new clause 13, is a great relief to my constituents. I put on record my thanks.

Bridget Prentice: This has been a very good, purposeful debate. I am grateful to all hon. Members for their support for new clause 13 and I thank in particular my hon. Friends for their positive, kind words, although I repeat that without their campaigning we would not be in this position. I am grateful to them for raising the issue not just recently but over a long period of time, and I am glad that this Government have been able to respond to them.

On the question whether the ABI scheme and creation of a board would offer a quicker solution, the whole point of the legislation is to tackle the effects of Barker as quickly as possible. That is why we and key stakeholders such as the ABI are looking at other ways to improve how cases are dealt with. Before the recess, my right hon. Friend the Secretary of State for Work and Pensions will make a statement in the House on certain relevant issues, and I am very conscious of the fact that we want to deal with the matter speedily.

The issue of costs has been raised tonight. As several hon. Members have pointed out, between 1,000 and 2,000 people a year are diagnosed, to whom average compensation of £100,000 is awarded. That is equivalent to between £100 million and £200 million in compensation. We estimate that the number of cases will rise to about 2,500 by 2015 and then gradually reduce until 2050. It might reassure Opposition Members if I said that, because people expected Fairchild to be in some ways reinforced by the Barker decision, the money is not new money. Barker-affected not the level of damages but simply how they should be paid and apportioned. Therefore, we should not be too concerned about any changes.

In the Barker case, the House of Lords did not make any ruling on costs—possibly because such costs had not been decided. The cases were to be sent back to the law courts for apportionment. Therefore, we do not really know what the costs would have been. As my hon. Friend the Member for Aberdeen, North (Mr. Doran) said, Miss Barker's case was supported by the GMB and therefore the fact that it was brought in her name does not necessarily mean that costs would be paid by her. However, if she were to pay costs, she would be able to apply to vary the order and how damages should be apportioned, although that might not go back to court anyway because it is very likely that the parties would settle on the basis of the legislation that I hope we shall shortly pass.

I was asked whether the rules of court would have to underpin subsection (4). The civil procedure rule committee will be asked to consider the employment exposure history of a claimant. I hope that that reassures the hon. Member for North-East Hertfordshire (Mr. Heald). However, as I have said, the apportionment of contributions is already established in the presumption in the clause, and that should enable insurers to resolve those issues without further court involvement.

Mr. Heald: That is a helpful assurance. Is the Minister able to give any indication of the time scale for the civil procedure rule?

Bridget Prentice: I am afraid that I cannot do so, although it has been put to the committee that the matter must be dealt with urgently and I hope that the rule will be in place very shortly.

My hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) asked about pneumoconiosis. The issue relates to the way in which Fairchild is interpreted by the Department for Work and Pensions. Barker has already shed some doubt on that. We do not yet have a definitive view of how that will progress, but I suspect that my right hon. Friend the Secretary of State for Work and Pensions will deal with that when he makes his statement to the House. However, I will ensure that we write to my hon. Friend.

In my opening remarks I made the case on retrospectivity, and I do not want to go over that again.

The hon. Member for Ryedale (Mr. Greenway) asked whether individuals would receive full compensation. I should make it clear that changes in the financial services compensation scheme will help to improve the speed with which claimants can receive compensation, but will not alter the liability of the scheme. Again, I suspect that my right hon. Friend the Secretary of State will be looking for further ways to settle claims and will no doubt mention that in his statement to the House.

The hon. Member for Cambridge (David Howarth) raised an important legal point. I read the relevant subsection as he was speaking and I could see why he came to the conclusion that he did. I am not absolutely convinced that that is the conclusion to which we should come, but I will take the matter away and bear in mind the note that he has passed to me, and see whether the provision can be improved in order that we do not allow anybody eligible to fall outside the scheme.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) was concerned about waiting for months for the Bill to come into effect, but the new clause will come into effect immediately on Royal Assent. The regulations affect only insurers' liability to recover their contributions, so the right of claimants to compensation will not be affected. They will get compensation straight away and the insurers will be able to claim that back later on under the regulations. It is the ability to recover contributions that will be dealt with retrospectively.

Simon Hughes: That is very helpful. If any last-minute drafting amendments were needed, either on the point put to the Minister by my hon. Friend the Member for Cambridge (David Howarth) or otherwise, we on the Liberal Democrat Benches and, I am sure, everybody present would want her and her colleagues to facilitate the Bill's completion of any necessary stages between now and the summer recess.

Bridget Prentice: I am grateful for that suggestion. If we need to do anything else to be absolutely convinced that on receipt of Royal Assent the Bill will do what we want it to do, we will of course seek help and take advice, certainly in terms of helping it to complete its passage through the other place. In the short period before the recess, we do not want any further delay.

I trust that I have responded to all the major issues that were raised. My hon. Friend the Member for Blaydon (Mr. Anderson) raised a particular constituency issue and I am happy to discuss that with him at the end of the debate to see whether there is anything we can do to reassure him and his constituent. I am grateful to my right hon. Friend the Member for West Dunbartonshire (Mr. McFall) for outlining cases of mesothelioma, which is a tragedy for the victim and their families, who are sometimes innocent recipients of the dreadful disease, either personally or by having to cope with the difficulty of seeing their loved ones deal with it.

I commend the new clause to the House.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 1

SPECIFIED CONDITIONS FOR EXEMPTION

'The Secretary of State shall make regulations about the specified conditions for exemption in section 5 and any Code of Conduct issued in connection with such conditions.'.—*[Mr. Heald.]*

Brought up, and read the First time.

Mr. Heald: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss the following: New clause 2—*Offence of contravening specified conditions*—

'(1) A person commits an offence if he contravenes the specified conditions in section 5 and any Code of Conduct issued in connection with such conditions.

(2) A person who is guilty of an offence under subsection (1) shall be liable—

(a) on conviction on indictment—

(i) to imprisonment for a term not exceeding two years,
(ii) to a fine, or
(iii) to both; or

(b) on summary conviction—
(i) to imprisonment of a term not exceeding 51 weeks,
(ii) to a fine not exceeding level 5 on the standard scale, or
(iii) to both.

(3) An offence under this section is "an offence committed under this Part" for the purposes of section 7.'.

New clause 5—*Injunction restraining exempt person*—

'(1) The Regulator may apply to the court for an injunction restraining an exempt person from providing regulated claims management services if he is in contravention of the specified conditions in section 5 or any connected Code of Conduct.

(2) In subsection (1) "the court" means the High Court or a county court.'.

New clause 10—*Disapplication of Part 2*—

'The provisions of Part 2 of this Act shall not apply to legal services offered or arranged by Trades Unions for the benefit of their members or members' families.'.

New clause 11—*Compensation for coalminers*—

'(1) Where costs have been paid by the Government under the schedules of any prescribed claims handling agreement, any additional monies levied from individual claimants shall be repaid immediately by the receiving agent to the claimant.

(2) For the purposes of this section—

"claims handling agreement" means—

(a) the 1999 agreement between the Union of Democratic Mineworkers (UDM) and the Government on chronic obstructive pulmonary disease,

(b) the 1999 agreement between Vendside Ltd and the Government on vibration white finger, and

(c) the 1999 agreements on vibration white finger and chronic obstructive pulmonary disease between the claimants' solicitors group and the Government;

"additional monies" includes membership fees, money in lieu of membership fees, marketing fees or other related charges;

"receiving agent" means the solicitor or claims handler who received monies from the individual claimant.'.

Government amendments Nos. 11 and 12.

Amendment No. 15, in clause 14, page 9, line 8, at end insert—

'(6) The first order made under section 5 may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.

(6A) An order under section 5 which has the effect of removing or restricting an exemption from section 3(1) may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.'.

Amendment No. 16, in page 9, line 9, in clause 14, leave out 'an' and insert 'any other'.

Amendment No. 5, in the schedule, page 12, line 13, at end insert—

'(1A) A code of practice issued under subsection (1) shall include details of the advertising standards for providers of claims management services.'.

Mr. Heald: New clause 1 would ensure a statutory basis for the conditions in clause 5, so that a decision to exempt an individual or body from the regulation to which claims farmers are subject would have statutory form. The amendments give teeth to the code of conduct that the Minister proposes for those who are exempt from regulation.

6.30 pm

I agree that some bodies need to be exempted from part 2, and it is right that organisations that are covered by other regulators—for example, insurance companies, insurance brokers and their agents are covered by the Financial Services Authority—should be exempted, because there is no point in having duplicate regulations for one body. However, we should ensure that everyone plays by the same rules and is subject to similar standards. We need a clear set of conditions to follow when deciding on the issue of exemption; it should not just be the say-so of the Secretary of State.

In January, in a written answer, the Under-Secretary confirmed—and Baroness Ashton said the same—that the Government intend to exempt trade unions by means of secondary legislation. The Constitutional Affairs Committee criticised that decision in its report, "Compensation culture". It said that it did not "see any benefit" in exempting trade unions, and I agree, but the Minister has said that the Government will not go down the route of regulating trade unions. There will be a different system for them—a code of conduct, which will be voluntary.

I accept that trade unions play an important part in society and that they have, like many who manage claims, helped numerous people to obtain the justice that they deserve. However, like some claims management organisations, some trade unions have abused their clients' trust for their personal gain. I am not alone in thinking that. The hon. Member for Bassetlaw (John Mann) has referred to his constituent, Mrs. Beckett, who approached Raleys, a firm of solicitors. She was told:

> "'NUM funding is available only through this firm'".

Mrs. Beckett had nothing to do with the National Union of Mineworkers. She had not gone through the NUM; she just contacted Raleys using the Yellow Pages. As we heard from the hon. Gentleman, she was told:

> "'You are of course at liberty to explore other types of funding arrangements, however we cannot guarantee that they will protect you from the need to pay any expenses or from the amount that your solicitor may recover from your compensation'"—

to which the hon. Gentleman said, "Not true!" He referred to another of his constituents, Mr. Dunstan, who was told:

> "'If you do not wish to take up the option of Union backing then it will be necessary for us to consider alternative funding arrangements. If you are not eligible for legal aid then it will be necessary to discuss funding your case by either private funding or through a conditional fee agreement.'"—[*Official Report*, 8 June 2006; Vol. 447, c.482.]

We should not forget the other examples provided by the hon. Gentleman, who concluded that they showed that the scandal of the miners' compensation continues.

The hon. Member for North Durham (Mr. Jones) was explicit about the problem. He agreed with me:

> "The hon. Member for North-East Hertfordshire (Mr. Heald) asked whether trade unions should be covered by the Bill if they act as claims handlers. I believe wholeheartedly that they should be."—[*Official Report*, 8 June 2006; Vol. 447, c.495.]

Last November, *The Times* published an article that exposed the deceptive and disingenuous actions of the NUM and stated that

> "elderly men suffering from chest diseases and a crippling hand condition were advised to allow the National Union of Mineworkers to fund their legal claims in return for paying part of their eventual compensation to the Union. But what the miners were never told was that in reality, the Government—and not the union—was paying the legal bills for successful claims."

Mr. John Gummer (Suffolk, Coastal) (Con): The regulations from which the trade unions are exempt are not onerous, but they are necessary to protect the public and the individuals concerned. Why should the regulations not apply to trade unions, if they are suitable for everyone else?

Mr. Heald: I fully accept what my right hon. Friend says. The Select Committee took the view that everybody who acts as a claims handler should be treated in exactly the same way. However, we argued about the subject in Committee, and I lost the vote. The Government said, "No, we are not prepared to do that; we will exempt trade unions, on conditions." That is what clause 5 allows: exemptions on conditions.

The Minister has told us that a code of conduct—of which I have seen a draft—will apply to trade unions, but the problem is that there is absolutely no method of enforcement, whereas under the regulation, criminal offences are created. The police could intervene, and there are powers of investigation, search and seizure, which are necessary to investigate a case in which money is taken from the most vulnerable people in our society. However, the code of conduct for trade unions, we have been told, is simply to be administered by the Trades Union Congress. If an allegation is made, it appears that Brendan Barber will investigate it. Whatever one thinks about Brendan Barber—I believe that he is a fine servant of the union movement—the fact is that he is not a skilled investigator, and he will not have any powers of investigation.

By all means let us have a code of conduct, but let us make it statutory. If there is a breach of the code, let us make it an offence. The Bill should say that an injunction can be passed to stop a union continuing to handle claims if it treats its claimants in an inappropriate or improper way. I believe that that is a fair response to the Minister's point of view.

Mr. Kevan Jones (North Durham) (Lab): I agree with some of the hon. Gentleman's points, and I have some criticisms to make of the draft code of conduct, because it is full of holes; I shall refer to that later. As I said to the hon. Gentleman in Committee, it will not just be left to Brendan Barber to enforce the code of conduct, because if people fall foul of the code of conduct to which they have signed up, they will be subject to regulation and the full force of the Bill. I agree with the hon. Gentleman that the code of conduct should say that specifically, because it does not do that at the moment.

Mr. Heald: Yes, the penalty on which the Minister relied was the notion that if there were breaches of the code of conduct, Ministers could act and subject the trade unions to regulation. Of course, the problem is: how does one uncover the breaches if there are no teeth and no regulatory powers? May I ask the hon. Member for Bassetlaw how easy he found it to obtain information, documents and things that he needed when he was investigating Vendside and the Union of Democratic Mineworkers?

John Mann (Bassetlaw) (Lab): When reading the code of conduct, it is always good to put in the words "Union of Democratic Mineworkers/Vendside" instead of "union" and see how it reads. The hon. Gentleman said that the regulator would be the TUC and Mr. Brendan Barber. In the draft code that I have seen, far from the TUC regulating, unions such as the Union of Democratic Mineworkers would appoint or even pay their own self-regulator.

Mr. Heald: The hon. Gentleman is right. I was simply quoting what the Minister told us about the TUC in Committee. It is not even as good as that, as the hon. Gentleman says. Inspector Barber is not the answer. If one looks at the sort of cases that have come before the Solicitors Disciplinary Tribunal, where we have seen the NUM banking £10 million from the compensation scheme on the basis that solicitors had been representing that it was funding actions which it was not, one can see that there is a real problem that needs addressing.

Geoffrey Williams QC, who represented the Law Society, told the tribunal:

> "It is not accepted that the only way in which these men could be represented as they were was by union agreement. They may have chosen to do so, but I say that was not an informed decision."

He went on to say:

> "The claims documents triggered the retainer and there was complete failure to explain at the outset why the arrangement with the union was either necessary, which I say it was not, or for their benefit, in which case the benefits were not explained."

The right hon. Member for Rother Valley (Mr. Barron) has described that as

> "a scam from day one."

He is a former senior NUM official, and he said:

> "The NUM has not put a penny into fighting these cases".

There is no justification for unions not to be properly regulated. The Minister acknowledged that trade unions have abused their position. She said:

> "I know of and agree with the genuine concerns about the activities of a small number of trade unions"—[*Official Report*, 8 June 2006; Vol. 447, c. 428.]

If that is the case, is it satisfactory to have an unenforceable code of conduct with the arrangements left to the trade unions, when others who are in exactly the same position will be faced with the full panoply of the law, proper investigators, the police, charges, powers of entry—all the things that I have mentioned?

New clause 2, the second of my new clauses in the group, would make it a criminal offence to breach the conditions for exemption, or the code of conduct, for an exempted body. If a body breaches the code of conduct, those involved would face penalties similar to those faced by a regulated claims management company. In Committee the hon. Member for Sherwood (Paddy Tipping) admitted that the trade unions had acted immorally. He said:

> "I make no apology for UDM/Vendside, or for some sections of the NUM. I think that other trade unions have acted irresponsibly as well."—[*Official Report, Standing Committee E*, 27 June 2006; c. 118.]

[Mr. Heald]

As I mentioned, the Minister acknowledged that the trade unions had acted irregularly. The hon. Member for North Durham made a passionate and persuasive speech outlining the numerous cases of abuse. Many Members from all parts of the House accepted that the manner in which the trade unions had conducted themselves was, at least, disappointing.

It is wrong to refuse to face the facts and to argue that the trade unions should be exempted simply because there are a small number involved. If I, as a lawyer, said, "Very few firms of solicitors misbehave. They should not be regulated at all, and we would not have any of the disciplinary powers that the Minister is pressing upon the legal profession in her draft Legal Services Bill", I would be laughed out of court. It is risible. Are we to be able to say one thing of lawyers and another of trade unions? If these are responsible organisations, surely they ought to be regulated in a responsible and sensible way.

Mr. Kevan Jones: Some would suggest that the Law Society has been the best trade union in history in terms of looking after its members and avoiding people being brought to book when they should be. Does the hon. Gentleman agree that the scandal that has gone on in Durham and other places could not have gone on had it not been for the collusion of the people in his profession to whom he is referring?

6.45 pm

Mr. Heald: It is true. To its credit, the Solicitors Disciplinary Tribunal has heard those cases and made those findings, and there are more to come. Given that that system exists for solicitors and is to be tightened up, which we all accept is necessary, is it right to argue that nothing of that sort should apply to the trade unions? One union has trousered £10 million through just one firm of solicitors.

John Mann: The hon. Gentleman mentioned decisions of the Solicitors Disciplinary Tribunal. Does that not highlight the need to strengthen the law whereby a consumer complaint can go through a caseworker, to an adjudication panel, to a solicitors disciplinary tribunal, as is the case with Raleys—and now it has the option of appealing to the High Court—whereas the consumer has no option but to appeal to the legal ombudsman at the very first stage? Should there not be more powers to allow the Law Society immediately to strike off solicitors such as Raleys, who refuse to abide by the Solicitors Disciplinary Tribunal's decisions?

Mr. Heald: The hon. Gentleman and I do not have much of a dispute. We agree that there should be firm punishment, but I think it needs to apply to everybody who is involved in the business of claims management services.

Mr. Gummer: Does my hon. Friend take the point made by the hon. Member for Bassetlaw (John Mann), which is a good one? If one substituted something else for the words "trade union", what light would that throw on the legislation? If one put in the word "solicitors" or the names of particular trade unions, such as the NUM or the UDM, the whole sense becomes clear: a particular group is being exempted from even cursory coverage by the law when there is no reason or rationale for that. It is not because they are subject to some other regulation; it is simply because the Government do not want to upset them. That worries me, and many other people, a great deal.

Mr. Heald: My hon. Friend and the hon. Gentleman make an important point. If we put any other class or category of organisation in that bracket, it would look extraordinary.

New clause 5 gives power to the regulator to apply to the court for an injunction against any exempted individual or body to stop it providing claims management services where it has broken the exemption conditions or the code of conduct. That would ensure speedy protection for the consumer and fits in with what would apply to a regulated body. I believe the approach that I am adopting fits in with the concept of rights and responsibilities that the Prime Minister so often talks about. If a body abuses its exempted position, it has clearly failed to act responsibly towards its consumers. If that is the case, the regulator should have the power to ask courts to issue an injunction.

Mr. David Hamilton: I have listened carefully to the hon. Gentleman. Can he give me an example of any other panhandlers or lawyers who raise cases on behalf of the work force that they represent? For example, it took a lot of money for the NUM to go to law on industrial deafness and vibration white finger cases. The NUM has raised £1.2 million in certain areas—remember, it is a federation of unions—and requires £2.4 million for new litigation. What organisations other than unions do that?

Mr. Heald: The hon. Gentleman should come with me to the annual awards for the Legal Aid Lawyer of the Year. There he would see some very inspiring, passionate lawyers who have taken on cases, often for free, to help people. That is a fine thing. Insofar as the trade unions help people, that is an excellent thing and nobody would dispute it. Many people do excellent things, but they are still regulated. That is what is wrong with the Bill—the idea that the unions are being let off.

The hon. Member for Hendon (Mr. Dismore) has suggested in new clause 10 that there should be a complete exemption for

> "legal services offered or arranged by Trades Unions for the benefit of their members".

Perhaps he did not realise that the Bill already contains such an exemption. He has worked for claimants' solicitors for many years and knows about the matter. I understand that he worked for many years for one of the firms that has been most heavily criticised.

If one examines what has happened to those firms of solicitors, it is a sad story. A trade union solicitor in league with Durham NUM has argued in a briefing to Members of Parliament that such solicitors and trade unions should be exempt, but the hon. Member for North Durham, who knows the area and the circumstances, has explained that they are involved in worrying activities. Millions of pounds have been taken by unions and solicitors.

In an example provided by the hon. Member for North Durham, solicitors offered people the opportunity to pay £20 to become associate members of a union, which does not provide any of the rights of union membership and simply allows people to be known as associate members. People then signed a form saying that 7.5 per cent. of their final settlement would go to the union; the money is not kept by the solicitors but is passed on to the union, which received £10 million in one case. The form stated that that was done to indemnify the individual against any costs, but the Government pay all the costs. The situation is extraordinary.

Why would the Government do that? We know that they have close relationships with the trade unions and at least one of those firms of solicitors, because in recent years the Labour party has received £90,000 in funding from the NUM and £75,000 from a firm of solicitors, Thompsons. Against that background, it is worrying that such people are being exempted.

Mr. Kevan Jones: May I clarify what the hon. Gentleman has said about £10 million? I suspect that in the case of Durham, the figure is about £3 million. If his point about donations to the Labour party is correct, that is very bad business on the part of any party, because that firm may have given the Labour party £75,000, but the Government have given it nearly £100 million in fees.

Mr. Heald: Perhaps I am too suspicious. I accept that the figure of £10 million relates to Raleys and the example in *The Times*. The hon. Gentleman is right: £3 million is the figure that he put on what happened in Durham—but that is still a lot of money. The way in which the matter is working out is extremely worrying.

I will be interested to hear the hon. Gentleman's explanation for new clause 11, which is an important contribution. As I have said, it is not right to exempt anybody, but if one does so, it should involve a proper statutory scheme and proper enforcement—some teeth. The Government proposal does not include any enforcement, which I believe is quite deliberate.

Amendment No. 5 concerns the advertising code of practice. The Bill provides that there should be a code of practice to cover claims management services. Much of the advertising used by claims management companies is targeted at the less well-off, and the document, "Better Routes to Redress", which was prepared by the Better Regulation Commission, includes examples. One advertisement featured a young women looking at a sports car and saying, "I've always wanted one of those, and now I've had an accident I can have one." The document rightly concludes that such advertising is entirely inappropriate in personal injury cases, where damages are limited and aimed at putting clients back in the position in which they would have been if they had not suffered wrong. I can provide numerous other examples, and I hope that the Minister will assure us that the code of practice for claims management companies will cover the sort of appalling advertising to which I have referred.

John Mann: I shall start by rebutting the tongue in cheek but mischievous remarks made by the hon. Member for North-East Hertfordshire (Mr. Heald), who has tried to relate union money for the Labour party to this Bill and exemptions—good, bad or otherwise.

I am uniquely positioned to rebut the hon. Gentleman. In 1996, *The Sunday Times* described me as "the bagman" between the unions and the Labour party. The unions played a particularly valuable role in removing the hon. Gentleman's party from office in 1997 by ensuring that union money, which is determined in statute by legislation on political levies and political ballots, was channelled into the choices of union members. I appreciate that he is sore about that, but it has nothing to do with the issues before us.

I want to refer to the draft regulations that the Minister has been considering. I appreciate that she has rightly spent her scarce but valuable time on new clause 13 on mesothelioma, which means that she has not had the opportunity to put time and effort into the draft. Hon. Members on both sides of the House are thankful that mesothelioma has been her priority, but it means that the draft contains some weaknesses.

There is one matter that the Minister can easily clarify, which would solve a core problem with the draft. The introduction discusses exempting trade unions in relation to services provided to their own members. If the definition of "members" is specified, many of the problems will disappear, because union members, as defined by law, have a series of forms of redress that are not available to other consumers. First, they have the certification officer, who is a regulator to whom they can go on matters that they are unhappy about. Secondly, they have the structures of their union and the ability to participate in decision making and democracy, which is unlike any other organisations that we have discussed and which, again, is covered by statute. Thirdly, they have a form of redress—the common law and an injunction—under the Employment Act 1992, if they feel that their union is acting outside its rules. The union member, as currently defined in statute, has a particular series of rights, which are not available to any other consumer. I put it to the House that the combination of those three factors is greater than any regulatory powers.

Mr. Kevan Jones: Does my hon. Friend agree that this is a crucial point, given that certain unions—for example, Durham NUM—have abused the system by inventing associate members, a category that has no legal definition in law, leaving people with no recourse under the trade union legislation?

John Mann: My hon. Friend is absolutely right. The scandal of what happened with miners' compensation is that union members got the service for free but non-members, of whatever category, did not. UDM members, for example, got the service expressly for free. The people who had rights of redress got it for free, but the rest had to pay. The joining fee, under different guises, became the contribution that the UDM attempts to justify. By clarifying the question of membership, the Minister will make her life, the life of her Secretary of State, and the lives of their successors significantly easier. It is not true that there is a big problem with unions and union members in relation to the handling of industrial injury and industrial disease matters. There are not even small problems in relation to how other unions are handling it. We have to deal with this scandal and with another scandal—currently theoretical but potentially actual—that is important in this context.

7 pm

Will the Minister clarify whether a regulator is to be appointed immediately? That would help us easily to define what falls inside self-regulation and what falls outside it. If that does not happen, the Minister will have a series of continuous problems.

We start, however, with the draft code. I am not sure who worded it, but paragraph 3(1) is interesting. It states:

> "The involvement of any subsidiary companies in handling a member's claims (whether owned wholly or partly by the Trade Union) should be disclosed."

What use is that? I have here a sheet of paper from a subsidiary company called Vendside that is wholly owned by a trade union—the UDM. In other words, as drafted, the code would legitimise the practices of the UDM and Vendside, because it is disclosed that the member will be going through Vendside and paying their fee to it. Disclosure is an issue, but it is not the key issue. The key issue is whether the money should be deducted. Paragraph 3.2 says:

> "The information given by a Trade Union to a member about arrangements with third parties should be as comprehensive and clear as possible, but need not involve the disclosure of commercially sensitive information."

That creates a catch-all whereby all relationships with solicitors, even beyond scandalous organisations such as the UDM and Vendside, can be hidden away. Why should not the member know what is going on? The catch-all of commercially sensitive information creates an enormous loophole in the draft code.

Let me give one example to show how bad it could get—that of the UDM. A third party that was never disclosed to the members as commercially sensitive, one might say, was a firm called Indiclaim. Money belonging to a swathe of UDM claims victims—non-members who have gone through the UDM—has gone from the solicitor to a firm called Indiclaim, but the victims knew nothing about it. The money was paid by the solicitor, but they might want to question what the marketing and vetting fee was. They might wonder about this firm, Indiclaim, which was vetting their claim. If they were to probe deeper they would find that it is owned by one of the employers—the manager of Vendside. If they had happened to stumble on various minutes meetings involving the UDM, Beresfords—the precursor to Indiclaim—and a company called Walker and Co., they would see a swathe of financial arrangements between the solicitor and UDM Vendside of which they were unaware, with money going in six separate ways. Again, that could be described as commercially sensitive information. That loophole needs to be removed.

Mr. Kevan Jones: Does my hon. Friend agree that that could also extend to the relationship between trade unions and solicitors in terms of payment of referral fees and other inducements for a trade union to put work with a particular solicitor, thereby negating the whole idea of a code, which would be the openness, honesty and transparency of the relationship between a recognised trade union and a solicitor?

John Mann: My hon. Friend is correct. Indeed, transparency is in the interests of the trade union and the solicitor. The whole idea of a loophole as regards commercially sensitive information is a non-starter—there is no rationale for it whatsoever.

Paragraph 5 of the code refers to a third party. Who determines the identity of the third party, who appoints the third party, and who pays the third party? That would create a problem for any decent trade union, never mind a rogue trade union. Who would the UDM appoint as the third party to look after consumer complaints? One could come up with various suggestions. I suspect that if a union is doing something fundamentally wrong—in this case, ripping off tens of thousands of elderly miners and widows—it is unlikely to appoint a third party to handle complaints that is anything other than particularly well connected and sympathetic to it and to its aims. The ability to appoint a third party without further definition is a weakness.

I remind Members that, whether we like it or not, the UDM is a certificated trade union and falls within this definition. We therefore need to ensure that the Bill and the codes of practice that go with it will fit the bad apple as well as the other 98 per cent. with whom there is nothing wrong. That is the dilemma that we face. We cannot afford to allow a renegade union such as the UDM, which has systematically been robbing my constituents and others, to get away with it—and even potentially to be able to justify it, and to have their expensive solicitors justify it—because of a lack of tightness in the wording of the draft code.

The next problem with the code concerns redress. I have here the solicitors practice rules from 1990, with 38 pages of detail. Labour Members, and perhaps others, have been critical of the Law Society. I have seen a significant improvement in how it has handled complaints over the past year, particularly since I had to refer it and certain cases to the legal ombudsman, who produced a very critical special report. I made a whole series of complaints on behalf of my constituents about a firm of solicitors called Moss—one of the UDM solicitors. We not only need details about the regulations but about rights of redress. There is no point in having regulation without a clear right of redress. If, under the new regulatory regime, with self-regulation built in through the code, someone wants to challenge deductions that were wrongly made, it is essential, especially for people falling within self-regulation, that the regulations are watertight. That means having the right of redress, which is a basic consumer right. The Law Society learned that over the years and now specifies the amount of redress and how it should be funded.

These cases are unusual. The volume of cases going to the Law Society is, to be fair, very unusual and the sheer volume has caused great problems. There will not be a great volume, however, in respect of ordinary, decent trade unions, which do not have many such complaints. Few complaints are made to the certification officer in the first place, irrespective of whether they are listened to and acted on. Other than the scandal of miners' compensation, we are not talking about a large volume. That should be borne in mind when we are deciding whether to go for self-regulation or to impose regulation. A consensus should emerge within the House that unnecessary regulation and too much Government regulation do not represent the way forward.

As I have argued on several occasions in the past and certainly in respect of an organisation such as the UDM, the definition of membership should provide the ability to ensure that claims handling is regulated by the regulator and that whatever is done for the real members defined by law is covered by self-regulation. I would be satisfied with that. My definition of claims handling for trade unions would arise where they go beyond their existing members and start to scout out, as the UDM and Vendside did, for further people—perhaps for ex-members or members of a former union or widows. Straightforward definitions help to solve many of the problems that lie within a code of conduct, however it is worded.

Mr. Heald: Is the hon. Gentleman arguing that where membership does not include associate members, all the abuses that we have heard about—including the £20 associate members—would be perfectly okay and would not require any regulation at all?

John Mann: No, the issue is very straightforward. The UDM charged a fee. Let me explain how it worked, as it is very interesting. As it was challenged, that union tried to twist its way into getting additional legal advice. I have with me a form from one of my constituents. It says that if the claim is successful,

> "I will pay to Vendside Ltd, who administer these Claims, a fee, to cover the cost of pursuing this Claim on my behalf",

and it then spells out the fee rates. Yet Vendside Ltd and the UDM were not paying anything towards the costs. They dealt with the cases under the claims handling agreement and registered automatically. For reasons that have never been explained to me, they even had their own claims handling agreements: one for vibration white finger from January 1999 and one for chronic obstructive pulmonary disease from September 1999. No one has ever explained at all—let alone to my satisfaction or even my dissatisfaction—why that union should have had separate claims handling agreements and why a Minister chose to sign them. I do not even know which Minister signed them. Nevertheless, I shall keep burrowing away with questions on the issue; who knows, one day I might get to the truth of the matter.

Mr. Clapham: Does my hon. Friend agree that the signing of that separate agreement was the basis of many of the problems that arose under the coal claims handling scheme?

John Mann: If one were always the optimist, one would say that signing that agreement led directly to the Compensation Bill, so there is some light at the end of the tunnel—except perhaps if one is running Vendside. I would certainly expect my constituents to bring in many claims. Just as a policy decision allowed the backdating to 1999 of complaints for double charging against solicitors under the miners' scheme and made complaints admissible to the Law Society, so it is important to clarify whether the regulator, in setting a regime for claims handling, would be expected to take cognisance of comparable bodies—in this case, the Law Society. I would be grateful if the Minister clarified that.

7.15 pm

The Vendside case is particularly important. About 15 to 20 per cent. of the people involved, because of the agreement that the Government signed, never went through a solicitor. Uniquely, the claims handler, Vendside, took the claims forward, so the only remedy has been civil law. There has been no Law Society remedy, even though it was beginning to work very satisfactorily for all other cases. I do not envisage further civil actions against anyone other than the UDM and Vendside, but 15 to 20 per cent. of people did not have access to justice or consumer rights.

The Bill becoming an Act is fundamental to allow those 20,000 to 30,000 people the same access to justice and consumer rights as would have applied if their cases had been handed to a solicitor. As far as cases dealt with by Moss, Ashton Morton Slack and Beresford solicitors are concerned, no one can move in my office for all the cheques arriving from companies to pay my constituents who had paid the Vendside fee in circumstances where it was wrongly and deliberately suggested to them in writing that the UDM was paying costs of their claims. Those people are now getting justice and I want the Bill to provide an exact parallel for the minority of people whose consumer rights have been denied and who have had only the remedy of civil action.

Where an organisation is more than happy to spend large amounts of money on expensive lawyers, it is important to remember the small man or woman. We may be talking about a retired miner in his 80s or a miner's widow in her 90s who have wrongly had money deducted and who have to fight against the might of Vendside, with all the money it acquired. Vendside is quite happy to throw its money away to try to stop the individual. What Vendside actually did—following legal advice, I suspect, but who knows; perhaps it will write and tell us—is change the forms. In fact, the forms changed five times; I have seen five variations. At some stage, it became a fee in lieu of membership.

That is where the question of membership is fundamental. My constituents who were not members of the UDM, who worked in another trade or had retired or who were not classified legally as members got stung in different ways, but the principle is the same. The point was to put money into that organisation for nothing. The Bill must immediately resolve that sort of consumer complaint and allow people a remedy so that they can pursue justice for themselves.

Mining cases are not the only ones. We are talking theoreticals, but this is not an absolutely theoretical, because a political party—the British National party—has attempted to jump on the back of industrial injury claims. In this case, we are talking about ceramic industry claims from the Potteries. Other hon. Members may have more up-to-date information than I have, but I understand that there is an intention to form a trade union. Whether it gets certified is out of our hands, because it will be determined by a certification officer. It is probably theoretically possible for the BNP to set up a trade union that could be certified. The BNP attempted with Beresfords solicitors to take claims and act as a claims handler in order to recruit through the union rather than straightforwardly to the BNP, as it had tried before. That is a real danger and we need to ensure that we do not fall into it. That is particularly the case in respect of a letter from Beresfords about what had happened in Committee. Beresfords immediately wrote to me to spell out that it had

> "formed no connection with the BNP at the time, we certainly had no intention of forming such connection in the future."

That actually makes matters worse, because Beresfords had obviously been hoodwinked by the BNP: the BNP was advertising its name, and it did not even realise that that was happening, as it spells out in the letter. That could happen in the context of the BNP setting up a trade union and attempting to get it certified, so defining what are claims handlers and what are not is vital, as is defining membership.

I also want to make some remarks about all the people who had money deducted in miners' compensation claims, because there are many of them. Tens of thousands of people have had money deducted—certainly more than 50,000 and, although it is hard to give an accurate estimate above that, there are probably many more. Let us take the example of my own constituents. I have already had money paid back by solicitors to more than 600 of them, and that number is increasing rapidly week in, week out. The list of solicitors who have been forced to pay back money—some, certain people would say, as a voluntary good-will gesture, others following Law Society adjudications—is phenomenally long. Almost 40 firms of solicitors have now had to pay back money.

Mr. Kevan Jones: I concur with my hon. Friend's comments that the Law Society is getting better, but is not one of the problems with it that many firms of solicitors only pay back money to people who complain, and there are possibly tens of thousands of people who do not know that they have been hoodwinked—robbed, in my opinion—by a firm of solicitors? They will never get that money back unless someone forces those cowboys to pay it back.

John Mann: My hon. Friend is right. The reason for that is that many people fear that, when they sign a contract, it is legally binding. Some such people are taking on large firms of solicitors who directly deducted money for themselves—we are not talking about third parties. Let me give some examples of those who directly deducted money for themselves: Thompsons solicitors took £285 from one of my constituents, and Richmonds solicitors took £500 from another. There is a whole range of others: Irwin Mitchell deducted £289. Those are major firms of solicitors. Many smaller firms of solicitors also stumbled into this, such as Frank Allen Pennington, Donne Mileham and Haddock, and Colemans. They were also deducting moneys, some for themselves, some for a third party such as other claims handlers, including PR and Associates, Union and General Services—which quickly went into liquidation, so it could not be pursued through the civil courts—and IDC. There is a plethora of such claims handlers.

People have to go through a process to get their money back. I will give an example of how that works, because I have today responded on behalf of a constituent to the Law Society. The complaint was put in two years ago. No assessment is made of the literacy, illness or other vulnerabilities of such people. Some of the people I am representing are in their 90s. Some have good literacy, others have very limited literacy, and they get sent large wodges of documents. Some get visits at home from solicitors when they make a complaint; some had visits from the managing partner of solicitors. Some have been taken to hotels for meals to discuss their complaint with a managing partner. Some are rung up and told, "You are liable, because you have signed," and others get letters saying that. Those are the kind of people who are complaining.

The vast majority of those people have had no previous contact with solicitors. Many of them tell me that they regarded solicitors as people whom they would need only if they were on the wrong side of the law, and they are therefore delighted to have had no contact with solicitors. They say to me time and again, "We have had no contact with solicitors before." Many of them are dealt with by their solicitors over the telephone rather than face to face, even for industrial hearing loss claims. Many are dealt with over a great distance, and the solicitors never see them—or see them only once.

How are such people to know, other than by MPs campaigning on the matter, that they have a genuine complaint that can be addressed by the Law Society in getting their money back when it should never have been deducted in the first place because, in this great scheme, the Government paid the solicitors' fees? If they are getting £8,000 or £10,000 in compensation and a solicitor says, "The charge to you is £1,000", they might think that to pay £1,000 to get £10,000 sounds reasonable. It sounds reasonable to me, and I know that it sounds reasonable to my constituents, because no one told them that the Government, through the scheme, were paying all the costs. These are the sums in respect of some of the solicitors involved: for Thompsons, more than £100 million; for Rayleighs, more than £55 million. The total is more than £500 million and increasing. The sum in respect of Beresfords is £80 million, and more than £100 million in potential claims costs are still to come. Those are phenomenal sums of money, and only now are people realising that those solicitors were being so appropriately generously—so to speak—paid by the Government. That was the deal that was done, and I have no criticism, as things can go in different ways. What I criticise is the fact that my constituents have to go through me one at a time to get their money back. Even with the Law Society, things have to be done one at a time.

Today, I dealt with a firm of solicitors called Wake Smith—again, one of the UDM solicitors. It is one of a small handful of firms that have failed to agree to pay people back. Only a few are still resisting, and Wake Smith is one of the worst. It puts standard responses in the post—20-page legal documents full of legalese that my constituents are meant to read and understand—and it keeps getting things wrong. In a case I addressed today, it gave a 20-page document about the UDM—defending the UDM and its right to take money, and then claiming that it had virtually no relationship with the UDM. In fact, the money in question had been deducted to IDC, but it had obviously just hit the computer button and printed that off; it had not given any care and attention to the fact that this was an individual complaint from a former client of theirs—a real person who had a consumer complaint.

I shall give another example; it is a classic. In correspondence sent to one of my constituents, a paragraph has been added in bold. I read and responded to it this morning. This particular consumer complaint has been going on for two years. It is stated in bold that it should be dismissed because I had no appropriate authority from "him"—I stress that "him"—and that I had not provided any, but that the firm involved had a client satisfaction form from him that it claimed to enclose. It was not included in the papers, and although I have asked for a copy I suspect that I will not receive it, as this was a deceased claim from a widow; her husband died 20 years ago.

That highlights the kind of people we are dealing with. They not only wrongly take the money—in this case for the UDM, and also, if Wake Smith is the firm involved, probably for Indiclaim as a marketing fee as well. A fee of perhaps about £500 would be paid to Indiclaim, and there would also be a fee that it has helped the UDM and Vendside to get. But when my constituent has the temerity to complain, Wake Smith claims that it has a client satisfaction letter from her husband who died 20 years ago and who has—strangely—failed to sign an authority from me to represent him. When that sort of thing is going on, I have to ask whether the Government should not insist on automatic repayment to those people. Taxpayers' money is going to the solicitors, so either the Government or my constituents and others have been fiddled. The double charging is straightforward—it is on top of Government fees. Either the Government should consider legal action to claw back the money from the solicitors and use it to recompense the individuals or the law should be changed so that the solicitors—and Vendside Ltd, which are claims handlers—are automatically forced to repay. That is natural justice.

7.30 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): What my hon. Friend describes so vividly and helpfully is possibly legal but morally reprehensible and should be tackled. However, does he acknowledge that thousands of claims in constituencies such as mine have been handled not through the Union of Democratic Mineworkers but a large local firm of solicitors—I spent some hours with them last Friday—and through the local branch of the National Union of Mineworkers, and that the position there is not as sinister and unacceptable as the one that he describes?

John Mann: If my hon. Friend's constituents are happy, that is all right. If the firm is Moss solicitors, I have received a prodigious number of complaints about it. Those complaints went to the legal ombudsman and led to the special report from that ombudsman. Every single case involved Moss solicitors, which is one of the most disgraceful firms in its handling of my constituents and my ability to represent them. It is the sort of company that is prepared to ring people at home. People who have never had dealings with a solicitor before making a complaint and who are rung up by solicitors feel highly intimidated. That is what my constituents tell me. It suggests that overall action should be taken against those solicitors. The Government have paid that firm many millions of pounds in fees for its work. Yet it wants to take other moneys to hand to people who have given it the claims—uniquely, it has worked for both the NUM and the UDM. The two unions allegedly do not talk to each other, but they clearly do with Moss solicitors.

Mr. Kevan Jones: Does my hon. Friend agree that it is not only a scandal of solicitors and specific unions that have deducted money from people's claims but of some solicitors using the claims as if they were operating a sausage machine, and processing them without doing a great deal of work on them? In several cases, they have under-settled a claim when a competent solicitor would have pursued it and the claimants could have got more.

John Mann: My hon. Friend is right. However, a disparity exists. Some of the solicitors who charged have provided a good service compared with others, and some solicitors who did not charge have provided a bad service. We are therefore considering quality to ascertain if, for example, a services claim has been included. Some of my constituents are taking negligence cases against solicitors and winning significant sums of money from appalling solicitors.

Sometimes one finds a direct correlation between bad service and solicitors who charge. We have found that, when a firm of solicitors, the UDM or Vendside Ltd have handled many claims, the average settlement is well below that of the better companies. There is no good explanation for a significant variation in the average settlement when considering a large number of claims. If the number was small, statistical oddities might skew matters, thus making the sample statistically unreliable. However, in the case of tens of thousands of claims, it is straightforward and valid to make comparisons. Some firms have been taking money and performing poorly, though others have performed well and still wrongly taken money.

David Taylor: Does my hon. Friend see a parallel, in the links and good relations that apparently exist between the UDM and parts of Government—perhaps the civil service—between what we are discussing and the UDM's negotiating poorer deals for the equal pay claims? When the NUM negotiated better deals, those of the UDM were retrospectively increased. That does not appear fair and open.

John Mann: I am not sure whether my hon. Friend made the point that he wanted to make because, in the case of the equal pay claims, the NUM left plenty in the filing cabinet and there are plenty more that the UDM under-settled. The canteen workers, the cleaners and the equal pay claims constitute a separate issue, into which I do not want to stray now.

I want to refer to some of the claims handlers and what they said. Union and General Services Ltd boldly stated that it would "assist" with

"the costs associated with the Claim"

and took a large cheque. Although Robinson King solicitors lost a week ago at the solicitors disciplinary tribunal, they still refuse to pay people back. Four out of the six cases that went to the solicitors disciplinary tribunal involved my constituents. We are considering sums of money that approach £4,000 which was wrongly deducted. There is some dispute about whether Union and General Services Ltd received the money that it was supposed to get for funding the claim. It did not fund the claim and the solicitors conspired with it. That is why the Bill is vital—it is also vital that we get it right.

P. R. and Associates is still in existence. I have an example of its "form of agreement" for "common law claims" for

"help, advice, instruction, representation, travelling costs, and administration… on pursuing my Common Law Claim."

[John Mann]

However, the claim to which it refers is not a common law claim. It went through the claims handling agreement. If it had been a common law claim, which entailed a risk, it would be perfectly fair for a union or non-union organisation to charge a percentage or a fee, provided that it was transparent, because it bore the risk. The scandal of the miners' claim is that there was no risk.

We are not being irrational. We do not say that people—whoever they are—should bear risk for no reason or no reward when there is transparency. However, when people have been deceived, they should get justice and their money back.

Perhaps the most astonishing example is that of Industrial Diseases Compensation Ltd. Its agreement form states:

> "The Company shall pay... all of the cost of The Claim to include legal fees and medical examination costs".

It did not pay a penny. It went through a solicitor on its panel and through the claims handling agreement and did not pay a penny. Its form has a clause 6(i), which outlines what happens if the

> "Claimant deliberately misled The Company".

I shall end with that. The Bill and the law should deal with cases when the company has deliberately misled the claimant.

We must ensure that everyone has access to justice. That is crucial for that minority who did not go through solicitors with miners' claims but went only through Vendside Ltd. They have no redress through consumer complaints to the Law Society and the system that I believe now works well, from evidence in the past three or four months. The minority who went only through Vendside Ltd should automatically and immediately have full consumer rights so that they can complain the moment the measure receives Royal Assent.

Simon Hughes: The speech of the hon. Member for Bassetlaw (John Mann) means that I do not need to comment on new clause 11. I guess that a further speech in support of it will be made—an excitement to anticipate.

Obviously, there is a serious point behind all the issues that have been raised. That militates in favour of new clause 1, which the hon. Member for North-East Hertfordshire (Mr. Heald) tabled and to which I added my name. The Government appear to be intent on exempting trade unions as a category and there must therefore be regulations to govern that. Like others, I have examined the draft code of practice and the rules, which the Under-Secretary kindly supplied. There are some weaknesses in it, which others have already pointed out. The early sight of the draft regulations for the rules of conduct does not reassure us sufficiently.

Lembit Öpik (Montgomeryshire) (LD): I have been considering the arguments that have been put forward on exemptions, and I wonder whether my hon. Friend has a view on the matter of strategic importance raised by one of my constituents, Graham Owen, who is a chartered insurance practitioner. He has suggested that small suppliers of such services should be exempt because, with a turnover of, say, less than £5,000 a year, they are unlikely to be ripping people off on a large scale or indulging in the kind of scams that we have been hearing about. He has suggested that there should be a turnover threshold of, say, £5,000 a year in respect of the total of the five categories that the Minister has identified, below which a company should be exempt from the regulations. Does my hon. Friend have a view on that? Would he, like me, be interested to hear what the Minister has to say about that suggestion?

Simon Hughes: That is a perfectly proper question for my hon. Friend to ask. My view is always that there ought to be a threshold so that very small practitioners are not governed by regulations. That should also apply to VAT and other provisions. If we want to enable small business people to carry on their businesses, we ought to establish a lower threshold. I have not yet had an exchange with the Minister on that issue, but I hope that she will be able to give us a helpful reply at the end of the debate. My specific and formal answer to my hon. Friend is that there is nothing in the Bill that would prevent the establishment of an exemption for small traders, and the Minister could introduce an exemption for such a category.

Mr. David Hamilton: If there were an exemption for small companies whose turnover was below a certain threshold, what would happen to individuals, such as those involved in the cases cited by my hon. Friend the Member for Bassetlaw (John Mann), who have been screwed by their lawyers? There should surely be recourse for such individuals, no matter what the size of the company.

Simon Hughes: We need to discuss that balance. I understand the hon. Gentleman's point. Looking at this from the point of view of the consumers of the service, if they have been conned, they have been conned; it does not matter whether they are the company's only victim or not. This matter would depend on whether the definition involved the value of the service offered or the cost of the service, as they might be different. If the cost of the service were only 10 quid, there could be quite a lot of 10 quids, which would soon add up. I hope that the Minister will address this issue.

The other amendment to which I have added my name is amendment No. 5, which has also been tabled by the hon. Member for North-East Hertfordshire. This is a linked amendment, which the hon. Gentleman addressed in passing in his introductory speech. It proposes that

> "A code of practice issued under subsection (1) shall include details of the advertising standards for providers of claims management services."

One of the concerns that has been aired in the debate is the need for clear regulation of the advertising involved, whether it is advertising on hoardings or in the local paper, or the kind that comes through the letterbox or is given away outside shopping centres or railway stations to try to get people to buy the services on offer. I hope that the Minister will give us an assurance that our proposal will be accepted.

May I make a formal request, Mr. Deputy Speaker, that, if—as I hope and expect—the Government are willing to accept amendments Nos. 15 and 16, we might have a chance to vote on them before Third Reading at

9 o'clock? I want to flag up that request now, if I may. Those amendments come from amendments that I tabled in Committee, on which the Minister said that she would reflect, and they involve a simple proposal.

Clause 5 sets out the procedures for providing exemptions, and, at the moment, they allow only for the use of the negative resolution procedure in the House. So the Government could lay regulations, and only if we prayed against them would there be the opportunity for a debate and a vote on them. The procedures governing exemptions are controversial, in this House and elsewhere, and they are important, in that they could be used to exempt trade unions, either generally or in part, or any other group of organisations. For that reason, I proposed in Committee that there must be an automatic debate in both Houses of Parliament on any proposed exemptions. That would be the time to discuss whether trade unions should be included or excluded. We have had a long discussion on that issue tonight, to which the hon. Member for Bassetlaw has contributed at some length, as well as other hon. Members. The history has not been a glorious one, and the wise thing for us to do now would be to ensure that we had to return to the issue. If the Government were to go ahead with their proposal to exempt trade unions as claims management organisations as regulated by the Bill—the opposite of what the hon. Member for Hendon (Mr. Dismore) is proposing—the House should be able to debate and vote on the matter.

7.45 pm

Mr. Heald: Will the hon. Gentleman accept my joining him in his plea that we be allowed to vote on these amendments, if necessary, at the appropriate time?

Simon Hughes: I am grateful to the hon. Gentleman for that intervention, which I am sure that you have heard, Mr. Deputy Speaker.

The proposition, which is a result of discussions with the Minister and her officials—for which I am grateful—is that the first time an order is made under clause 5, we should have a debate and vote on it in both Houses, and that we should also debate and vote on any subsequent order that would have the effect of removing or restricting an exemption.

Some very dubious practice has clearly been applied in relation to certain claims. Although trade unions may logically have a strong case for being exempt when acting for their members, the wider concern is that they should be included, so as to prevent similar abuses from recurring. In any event, I hope that the Minister will agree that we should have the opportunity to vote on the amendments later.

Mr. Dismore: I rise to speak to new clause 10, which stands in my name. I have no objection to claims handlers being regulated. Indeed, I first started campaigning for that almost 20 years ago, when handlers were first invented, as I recognised that this could be a growing problem. However, I approach the matter from a very different point of view from that of my hon. Friend the Member for Bassetlaw (John Mann). Perhaps he should come along to the Chamber on a Friday, given the way in which he set out his case in such detail earlier. I hope to be able to put my case, from a different point of view, rather more briefly.

Trade unions have had a rather bad deal out of this debate so far. There has been no problem with trade union legal schemes for decades. Most of them date back to before the second world war, and trade unions have historically played a major role in ensuring that people who were injured at work got justice and compensation—for example, under the old workmen's compensation scheme, before they had common law claims.

My hon. Friend the Member for Bassetlaw has clearly had a very bad experience arising out of the administration of one particular scheme. However, we must not throw the baby out with the bathwater by losing sight of all the excellent work that the trade unions have done for hundreds of thousands, if not millions, of people over the years in which the trade union schemes have been in operation.

Historically, trade unions have fought difficult, ground-breaking cases, often with contributions from successful cases, in perfectly legitimate schemes. That kind of scheme was starting to die out when I was in practice; very few unions still operated them by then. However, the trade union schemes and the contributions involved were operated for the benefit of the members. They were not operated for profit. They were used to support difficult, complicated, and often expensive cases.

I ran many test cases myself when I was in practice, including some of the early cases involving post-traumatic stress disorder and pension loss. Some cases went to the House of Lords. I remember one in particular, against the Home Secretary in the then Conservative Government, which ended up in the House of Lords. It involved cuts in the criminal injuries compensation scheme, and it was backed by a consortium of about a dozen trade unions and involved several hundred thousand pounds worth of costs. Schemes covering vibration white finger, pneumoconiosis and deafness were all developed with the support of the trade unions, and I believe that we now run the risk of losing sight of the very good work that they have done.

Mr. Clapham: I take my hon. Friend's view that trade unions have been agencies for the betterment of society. As he has heard in the discussion with my hon. Friend the Member for Bassetlaw (John Mann), much of the problem started with a separate agreement given to the Union of Democratic Mineworkers, which was not available to other unions in the mining industry. Does he agree that all the problems seem to have stemmed from that?

Mr. Dismore: I agree with my hon. Friend. The fact is that the UDM was a rogue union to start with, and has behaved like one ever since it was founded.

John Mann: Will my hon. Friend give way on that point?

Mr. Dismore: My hon. Friend has had plenty of time to make his point. I am going to try to make mine briefly.

Generally, since the Access to Justice Act 1999 and conditional fee agreements were introduced, it has been possible to do without deductions. Occasionally, however, they are required, especially in test cases involving group litigation, which are not party to parts of schemes

[Mr. Dismore]

but are often involved in major, complex and expensive litigation. Of course, deductions are nothing new. Under the civil legal aid scheme, before it was removed from personal injury cases, deductions were made, for instance, for disbursements not recovered or payments in. After-the-event insurance schemes that operate now still apply deductions in exactly the same way.

Regulating trade union schemes does not affect the dodgy law firms that we have heard about or the claims handling company, as those would be caught under the new arrangements anyway.

In relation to the definition of members, we should also take into account that many trade union schemes extend to members' families. I remember the debate in my old law firm in the 1980s about whether we could afford to offer such a scheme to trade unions for the benefit of members' families, as was eventually provided. Trade unions are already regulated under the Trade Union and Labour Relations (Consolidation) Act 1992, unlike claims handlers, who are not. The certification officer has a right and a duty to inspect trade unions' accounts. Details of trade unions' officers have to be filed, and any complaints over breach of rules, including over legal services, can be investigated by the certification officer.

Of course, the trade union rule book, of which union legal schemes form part, is a binding contract between the member and the trade union and can be independently enforced through the courts if necessary. Unlike claims handlers, trade unions have their own internal appeals and complaints systems, which can include whether cases are being turned down. Trade unions do not encourage their law firms to turn cases down but to fight on, unlike claims handlers. They also use specialist law firms, which generally know what they are doing.

The only beneficiary of regulation will be the insurance industry, because trade union legal systems will not operate as effectively as they have done over decades to provide justice for trade union members. I very much hope that the Government will see sense, as they seem to be doing, and accept that trade unions have generally provided an excellent service for a long time. We should not allow one bad experience, albeit involving a lot of people, to affect the whole system of trade union legal support.

Mr. Gummer: I declare an interest as the independent chairman of the Association of Independent Financial Advisers, which has an interest in the Bill but not this part of it. The first Bill that I tried to put through the House, nearly 30 years ago, was opposed by solicitors because they said that they needed none of the regulation that I was suggesting for them. The issue involved was that of fake directories where solicitors used to write letters to frighten people into paying bills that they had no duty to pay and had not incurred. I remember the anger and opprobrium cast at me by the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) and his then hon. Friend who is now in the other place, Lord Clinton-Davis, when I suggested that some solicitors might need such controls.

I therefore have a long history of not being entirely enthusiastic about solicitors and their being unregulated by people outside. I agree with many of the elements of the Bill and consider it a valuable contribution in many ways. I therefore hope that it will not be taken amiss if I suggest that there is a problem in relation to trade unions that has been misunderstood by many.

First, trade unions and their members, as defined in all our minds, come under a category that is already subject to regulation. We should not regulate—or try to do the same thing—twice, as that is both otiose and annoying. My hon. Friend the Member for North-East Hertfordshire (Mr. Heald) has made an important point. Some aspects of the way in which the exemption is to work do not give adequate protection to the consumer.

I say to the Minister that it is important for the Government to be seen to be even-handed when dealing with trade unions. I am sure that she is trying to be so, but perception is vital in relation to that issue. If she is not to be thought partial, she must be seen to treat trade unions in the same way as she might treat other organisations. Without straying outside the debate, the Government ought to strive not to be seen to be swayed in a partial manner. I therefore ask her to reconsider her approach so far.

We must protect even members of trade unions by ensuring that the code of practice is—at least in the limited way suggested by my hon. Friend—justiciable. If the Minister thinks that it is important to have a code of practice, it is manifestly true that it ought to be able to be enforced. To have a code of practice that cannot be enforced is merely a fig leaf and is subject to the likelihood that people outside here will feel that the Government are being partial.

Secondly, I thought that the hon. Member for Bassetlaw (John Mann) put the argument clearly, and the hon. Member for Hendon (Mr. Dismore) was a bit hard when he said that he went on. Actually, he did not repeat himself once, and everything that he said was of interest to this House, which was not the case with the shorter speech of the hon. Member for Hendon. The hon. Member for Bassetlaw's point was not contrary to trade unions—he was saying that there are circumstances in which the protection of members, or those called members, of trade unions, was not sufficient, and that people were misled and dealt with unacceptably. It was right to bring that to the House's attention. As it came from a Member who has such a history of support for the trade unions, it seemed to me that it was not properly treated by those who suggested that he was being antagonistic to trade unions. What he was saying, and what I am saying, is that good trade unions deserve the support and protection of a properly written law that enables them to feel properly defended against the activities of those who bring trade unions' name into disrepute.

Not only do we want to be assured about the meaning of "member", which is important, but that people who are embroiled in circumstances in which the trade union acts as a claims organiser—but not as a trade union—to someone who is not a trade unionist will not have their protection removed. That is all that we ask. As the Minister has refused to include trade unions within the definition—for reasons that, I think, are comprehensible—the easiest solution is to accept the amendments tabled by my hon. Friend the Member for North-East Hertfordshire. Those amendments are not meant in any way as antagonistic to trade unions but as protection for the customer. That is perfectly reasonable.

There seems to be a cross-party view on this matter. It arises from a desire to ensure that people outside perceive the Bill to be even-handed, a desire to protect every one of Her Majesty's subjects so that they all have equal rights of protection, and above all a desire to make certain that decent trade unions are not besmirched by the activities of what have turned out to be two trade unions in particular circumstances. I should have thought that those were interests common to us all, and if the Minister is unable to move in our direction, I believe that the Government will lay themselves open to the charge of partiality even if, deep down, that was not their reason for behaving in this way.

8 pm

Mr. Kevan Jones: As someone who was a full-time trade union officer for 13 years, I am fully aware of the vital work that trade unions have done—not just their daily representation of their members in the workplace, but their work in the context of test cases—and I am afraid that I will take no lectures from former solicitors about trade union principles.

The hon. Member for North-East Hertfordshire (Mr. Heald) quoted me as saying in Committee that if trade unions acted as claims handlers, they should be treated as such. My view on that has not changed, but I support the Government's proposals relating to the code of conduct. Under those proposals trade unions will be exempt if they observe the code, but if they fail to do so they will be covered by regulation and subject to the same restrictions, penalties and scrutiny—and under the same spotlight—as rogue claims handlers.

As I have said, I fully recognise the value of the work done by trade unions. My hon. Friend the Member for Bassetlaw (John Mann) mentioned a case to which I too will refer. Some firms of solicitors, including Thompsons—for which the hon. Member for Hendon (Mr. Dismore) used to work—

Mr. Dismore: Will the hon. Gentleman give way?

Mr. Jones: No, I will not.

Mr. Dismore: On a point of order, Madam Deputy Speaker. As the hon. Gentleman has made that point, I want to explain to him that I never worked for Thompsons. I used to work for a firm that eventually became Thompsons.

Madam Deputy Speaker (Sylvia Heal): That is not a point of order for the Chair, but at least the correct information is now on the record.

Mr. Jones: The hon. Gentleman has made the point for me. He has a clear connection with Thompsons, a company that has not acted in the best interest of its members, certainly in the case of the Durham branch of the National Union of Mineworkers.

Mr. Dismore: That was in 1995.

Mr. Jones: That may be so, but the hon. Gentleman has been a good advocate on the company's behalf tonight. I am here as an advocate for my constituents, many of whom—poor and vulnerable individuals—have been ripped off by unscrupulous solicitors using sharp practices in a firm that should know better. If the hon. Gentleman wants to be associated with that firm of solicitors, he should feel free to be so, but I have no such wish.

I support what the Government are doing with the code of conduct. It is a sensible way of not overburdening trade unions with legislation. My hon. Friend the Member for Bassetlaw pointed out that trade unions are already regulated by the certification officer, and members can have redress following complaints to the certification officer about the way in which the organisation operates. I think that that is right, but I also think there are problems with the draft code. For instance, the definition of "members" should be tightened up. The Durham NUM's scam was to enlist people as associate members. Those people have no legal right to complain to the certification officer, because they are not actually members—and let me point out to the hon. Member for Hendon that that was done with the connivance of Thompsons. "Members" must mean "members" as defined in the Act that covers the certification officer. That may close the loophole. But if "members" means associate members, that should be clarified in the code. Another issue that needs to be clarified is the status of retired members. They may not still be making contributions, but I think that they should still be covered because of their years of contribution and their association.

Mr. David Hamilton: In many cases throughout the United Kingdom, that will apply not only to retired members but to their widows and families. In my part of Scotland many retired members have passed on, but the union still deals with their widows and families, at low cost.

Mr. Jones: I have no problem with that. It is a good example of a trade union not just supporting its retired members, but doing sterling work in supporting widows and others in the community. Unions should be congratulated on that, but alas, it is not what has happened in Durham. That is why it is important for the code of conduct to include a definition enabling trade unions to do the great work that my hon. Friend has described.

There is also the issue of funding. Paragraph 2 of the draft code states:

> "A Trade Union should give a member relevant information about the funding of their claim, including details of any fees payable by the member and any fees being received by the Trade Union in respect of the claim."

That is fine, but if a fee is to be deducted, members should be told on what it will be spent. It is important to avoid misapprehension or, indeed, the lies that have been peddled in, for instance, the Durham NUM case. It was said that the fee was being deducted to fund the case when that was clearly not so.

As has been said, in nine cases out of 10 trade unions provide the cheapest way for people to obtain justice in court when accidents have befallen them, but if there is a cheaper way, it should be explained to people so that

[Mr. Kevan Jones]

they can decide what to do. I realise that nowadays, given conditional fee agreements and insurance, there is no reason why any trade union should charge individuals anything, but I think it vital to make clear to clients how cases are to be funded and what alternatives may exist.

Paragraph 3 of the draft code of conduct deals with arrangements with third parties, and I must tell the Minister that I think it contains certain minefields. It seeks to deal with the relationship between a trade union and a third party, which may be a claims handling company. It also refers to solicitors. I think it important to explain to trade union members the exact relationship between a trade union member and a firm of solicitors, to avoid any misapprehension if a success fee, or other fee, is paid to the firm.

I am surprised that Members who are advocates of trade unions, and great champions such as the hon. Member for Hendon, have not homed in on paragraph 4 of the draft code, which I think is a bit draconian for unions. It refers to the competence of employees and volunteers. I do not agree with the sentiment, but paragraph 4.2 states:

> "A Trade Union should have in place an appropriate quality assurance process to monitor the quality of advice given to members."

I think that that will impose on many trade unions an additional burden that they will not welcome.

I accept that the volunteers to which the code refers should be trained, but people must recognise that a lot of people who give trade union advice, as lay members in workplaces elsewhere, may not be trained and their knowledge comes from many years of working in particular industries. Therefore, paragraph 4 needs to be tightened so that it is not too onerous for trade unions and does not debar some people who are doing very good jobs in workplaces from giving initial employment advice. In parts, the provision is quite draconian.

John Mann: My hon. Friend makes an excellent and pertinent point. Does he agree that, as a consequence of that particular provision, volunteers within trade unions such as shop stewards or branch secretaries may be unwilling to proffer even indicative advice about where people should go, for fear that complaints will be lodged against them under a regulated system? Therefore, it will be harder to get volunteers to do anything.

Mr. Jones: I agree totally with my hon. Friend. It is important that during the consultation trade unions think carefully about the consequences of that part of the code of conduct. It could put off branch secretaries and other trade union volunteers, who do a sterling job on behalf of their members, from giving "legal advice". In the worst case scenario, shop stewards will refuse or be afraid to give advice, so that matter needs clarifying.

The last point in the code again tries to deal with the issue but goes half way and does not answer a lot of the points. It is about complaints and redress. I am not clear, because there is no reference here, how the provision on complaints by trade union members links with the legislation in respect of certification officers. Clearly, as a trade union member—not an associate or other type of member such as I spoke about earlier—the individual member has the recourse of going to the certification officer. That needs to be welded into this part of the complaints and redress system. Otherwise, there could be a conflict between the code and existing trade union law that governs regulation of trade unions by the certification officer.

Paragraph 5.2 says:

> "Where a complaint cannot be resolved to the satisfaction of the member within a reasonable time, it should be referred to a third party for termination."

There is no reference to who the third party would be, and there are no explanatory notes. I would be very resistant if the third party were to be, for example, the union's solicitors, if they were involved. It would have to be some independent body—perhaps the certification officer, as I have outlined.

This is a good first stab at the code of conduct, but it needs to be updated and refined and some of the points that my hon. Friend the Member for Bassetlaw and I have raised need to be taken on board. However, it is better than bringing trade unions into the Bill; there is existing law to protect trade union members. It is odd that it is Labour Members who are arguing for less regulation and the hon. Member for North-East Hertfordshire and other Conservative Front Benchers who are arguing for more regulation. No doubt I will use that as a good example when I am being lectured by Conservative Members to the effect that the Government are all about more regulation rather than less.

What has been put forward by the Government is a compromise that will protect people. More importantly, it will ensure that organisations that do not abide by the code of conduct will come under regulation. We had the discussion in Committee. The solicitors Thompsons, in their briefing to Committee members before the Committee stage, took the line that has been taken by the hon. Member for Hendon: all trade unions should be exempt. That would include the UDM and others. I pointed that out to a member of the Trades Union Congress, who said "No. We can just have TUC-affiliated organisations." I was not sure how the Bill could exempt TUC affiliates alone. I think that what the Government have put forward will work if we can get a tougher version of the code to clarify the points that other hon. Members and I have raised.

8.15 pm

I now turn to new clause 11 and the scandal that my hon. Friend the Member for Bassetlaw has already referred to in respect of the COPD scheme. The Government should be proud of bringing compensation to many tens of thousands of miners and their families, who were denied it for many years. However, that has been plundered by unscrupulous solicitors and, I have to say, certain trade unions. Is it a scandal? Yes it is. It has been given some attention by some national newspapers, but not a great deal. If the scandal had taken place in the leafy suburbs of Surrey, I am sure that it would have been on the front page of every national newspaper throughout the country. It is worth bearing in mind that it is because it has taken place mainly in poor former mining communities that it has not received a lot of attention, although I, and other hon. Members, have tried to publicise the issue.

There are two separate aspects of the scandal. The first is about the way in which certain solicitors have seen this as a quick way to make a lot of money. I first raised the case of Mark Gilbert Morse over three years ago. Those people were not content with getting their fees paid by the Government; they added 25 per cent. on top as a success fee, and they got people to sign agreements saying that they would have the money deducted. As my hon. Friend the Member for Bassetlaw said, the reaction of many constituents was, "I've signed the agreement so I have to pay that money." Well, they did not have to pay it.

I am pleased to say that Mark Gilbert Morse quickly decided to pay the money back, but I am still not satisfied. That company and a number of other companies have said that they have paid it back. We have their word, but I suspect that unless someone has complained about the fee being deducted, the money will not have been returned. That is why the new clause is important. We should force solicitors to pay back all the money that has been deducted unlawfully.

I give credit to the Law Society individual case officers, because some are very good and work very hard in pursuing some of the rogue elements involved in those scandals, but as my hon. Friend said, that can be done only if someone makes an individual complaint; otherwise, people will not get justice. Some firms of solicitors have started paying money back, irrespective of whether complaints have been received. Obviously, they feel guilty and think that they will be exposed later, but we are not talking about small amounts of money; we are talking about millions and millions of pounds. That has been taken by firms of solicitors regulated by the Law Society. Clearly, self-regulation has not worked. That is why I have been one of the strongest advocates for independent regulation of solicitors. I am glad that the Government are taking that on board.

The Bill will cover two other consumer rights issues that need to be addressed. I am not afraid to say this about claims handling companies: I hope that the Bill kills off that industry altogether, because in my opinion there is no need for those companies. They are simply middlemen that have preyed on people and take a cut. If people want legal advice, they should go directly to their solicitors or their trade unions. That should be the best way forward.

To date, there are no ways of getting at claims handling companies, apart from going to their solicitors. The only way to get at the solicitors is through the Law Society, case by case, because many claims handling companies are still holding on to money that was deducted unlawfully. I took up the case of one of my constituents, Mr. Jobes, who had been contacted by Industrial Disease Compensation, now FreeClaim IDC. Ironically, it was one of the founder members of the Claims Standards Council, which was set up supposedly to regulate the sector. I am pleased that my hon. Friend the Minister has not fallen into the elephant trap and allowed the CSC to be the regulatory body for claims companies.

IDC took £3,600 from my constituent, but all it did was get him to sign a form—which purported to indemnify him against legal costs, when the company knew full well that he would not need to lay out any money at all under the COPD scheme—and pass it on to a firm of solicitors in Liverpool, Silverbeck Rymer. The case went through the process, the money was paid out and the solicitors deducted £3,600 and passed it on to IDC. What did IDC do for that money? It did nothing except pass on the information. It had led Mr. Jobes to believe that he was being indemnified against legal costs.

Mr. Jobes and the other constituents who have come to see me are not, with no disrespect to them, used to dealing with solicitors. Some are widows, others are in very poor health—including Mr. Jobes—and do not know what to do with legal documents they get sent. Some have even been sent threatening letters saying that if they withdraw from the agreement they will end up with huge liabilities. That is a disgrace.

I pursued Silverbeck Rymer through the Law Society, which ruled that it had to repay the full amount. Silverbeck Rymer lost the appeal and had to pay the money back, but I hate to think how many other cases there have been in which money was deducted by solicitors and paid to IDC. How much money is sitting in the coffers of IDC for which it did nothing?

IDC knew that it was doing something wrong. Not long after the publicity on the issue, it changed its agreement so that all that was payable was an administration fee of £100. It was still doing nothing for that £100 except passing information on to solicitors.

Another scandal remaining to be unearthed is the collusion of former NUM officials and others who had access to membership lists. They prostituted any trade union principles that they had by going to work for IDC and helping it to make a quick buck out of the COPD scheme. The scandal of the £100 administration fee is that all IDC did for the money was pass on information to solicitors, who deducted sums from the final award to pay to IDC. I am pursuing several cases with the Law Society, questioning the role of the solicitors in acting as collection agents for claims companies. These scams have cost people tens of thousands of pounds, but they could not have happened without the collusion of solicitors' firms, including some well known high street names. I would have thought better of those firms.

As well as acting as collection agents, the solicitors are failing to advise their clients that there is no need to pay the £100 administration fee. In fact, if people had gone direct to the solicitors, they would not have paid any fee. The solicitors were not acting independently. They saw IDC and the other claims handling companies as a way to gather hundreds of claims and paid the £100 fee with no questions asked.

Another issue is quality of service. IDC's website talks of a panel of solicitors, as though they have been vetted or specialise in such claims. In fact, they are high street solicitors who are looking for work. That has meant that not only have some people been ripped off by the fees, but some of the solicitors have taken a sausage machine approach to the cases. They have put the claims through their administration system and, in many cases, accepted the first offer from the Department of Trade and Industry. The work has not been checked and so the firms have settled the cases for much less than other solicitors could have achieved. That is another scandal that the Law Society should address.

Mr. Philip Hollobone (Kettering) (Con): I agree with the hon. Gentleman that the Bill would be successful if it drove unscrupulous claims management companies out of business. However, does he agree that there are some honourable exceptions, not least the National Accident Helpline, which is based in my constituency? I believe that he has been sent details of how it operates, and it has helped thousands of people successfully settle claims for compensation.

Mr. Jones: No, I do not. If people want legal advice, they should go directly to solicitors and cut out the middle man. There is no need for such organisations. Trade unions can be a good source of advice and support for people seeking access to justice, and most people have legal insurance through their home contents insurance. I look forward to the day when the Bill puts claims handlers out of business.

Another scandal involves the way in which some trade unions have acted. I know that 99 per cent. of trade unions do a fantastic job. They pioneer work and they secure access to justice for many thousands of people that they would not get if they were not members of a trade union. However, Durham NUM and Thompsons solicitors have acted as claims handlers. They are not providing support to existing or retired members but operating a scam in which people who have very little connection with the NUM—often widows of former members—but with a COPD case were asked to pay £20 a year to become an associate member of Durham NUM. I have asked what an associate member is, and it is clear that such members have no rights under the trade union legislation. Thompsons told me that it gives people access to the NUM's legal aid scheme, but that does not seem to exist. It appears that people pay £20 a year to Thompsons solicitors, who deduct another 7.5 per cent. from their compensation, if their case is successful. People are never told that they could go elsewhere to pursue their case. Even worse, the NUM and Thompsons have sent out letters telling people that if they stop paying their £20 a year, their case will be withdrawn, and that is just not true.

8.30 pm

I have been denounced in many quarters, some of which I shall refer to shortly, for feeling so strongly about all this. I feel so strongly, though, because the ladies and gentlemen who have come to me have no connection whatever with the NUM, are often very poor and are not used to dealing with solicitors. Yet the NUM has acted as a claims handler, joining people up for a success fee, which is all that that 7.5 per cent. is. The £20 a year is nothing other than an access point to justice.

I commend the work the NUM has done in some areas, and there is a contrast in the north-east between Durham and Northumberland, where the NUM does not charge anything. It does not matter there who anyone is—an existing member of the NUM or, as my hon. Friend the Member for Midlothian (Mr. Hamilton) said, a member of the community—because they can go to the NUM without it costing them a penny. If they want to make one, Northumberland NUM asks for a voluntary donation afterwards. That is fine: what people do with their compensation after they get it is up to them—they can give it to a cats home, give it to an individual or spend it, but if they want to make a contribution back to the NUM, that is laudable.

That is not what happens in Durham. There, 7.5 per cent. is taken off the compensation by Thompsons solicitors, then passed to the NUM. It is being suggested that that 7.5 per cent. will fund future litigation and keep the NUM going. I have no problem with that, but Thompsons, who seem to act differently in Durham as compared with other areas, has had nearly £100 million out of the Government in costs.

John Mann: More than that.

Mr. Jones: And more, as my hon. Friend says. I cannot see why Durham NUM could not have received a success fee or other fee from Thompsons. I think it totally wrong that poor individual claimants should have to fund Durham NUM.

I understand I have been denounced in several quarters, including in the upper House last week in a debate on miners' compensation by Lord Sawyer, a former general secretary of the Labour party. To be fair to him, he says:

> "Since standing down from my main roles in the labour movement, I have become the non-executive chair of the supervisory board for Thompsons Solicitors and I declare that interest."

That is fine, and I have to say I agree with much of his speech, which attacks the way in which unscrupulous solicitors have deducted moneys. However, he went into the territory of the Durham NUM, on which he has certainly never spoken to me, making comments for which the evidence, I have to say, is weak to non-existent. He says that funds are being used in the Durham area to fight miners' knee cases and possible surface worker cases that have not yet been funded. I am aware of only one case that Durham NUM has funded for surface workers, but the red herring about miners' knee cases seems to have come up only since I began to raise these issues.

Lord Sawyer seems to condemn what has been said here:

> "In reading the debates in another place on this issue and looking at some recent comments, it is possible to think that this is all about individual consumers in cases against big employers or insurers without trade union backing. That would be a big mistake. Let us condemn law firms and claims companies who exploit workers' cases by all means, as we are doing tonight, but let us not in the process damage trade unions and their trusted lawyers who are, at the end of the day, the only ones with the commitment, capability or expertise to fight the major cases".

It worries me that Lord Sawyer is an individual who is supposed to be on the supervisory board of Thompsons solicitors but who has not even taken the trouble to see how those solicitors are acting with the NUM in Durham. If he was doing his job properly, he would be asking the questions I am asking. That raises the question of what he is being paid for—I assume he is paid—as a member of the supervisory board; or is he just being paid to be an advocate for Thompsons solicitors in this place?

Mr. David Hamilton: For clarification, let me say that the issue of knee litigation has been on the cards for some years. The Scottish NUM, south Wales NACODS, Derbyshire NUM and, I think, Durham NUM are four unions that have combined to raise £1.2 million on that. I do not see Northumberland among them, and I do not see the other areas.

When we talk about the trade union movement, we mean more than 6 million trade unionists. Tonight, we are talking about the Compensation Bill, and it clouds the issue to talk about single areas within the NUM. We should talk, as my hon. Friend did, about 99 per cent. of the trade unions being extremely good. That was the correct thing to say.

Mr. Jones: I agree. I have no problem with that, but I challenge Durham NUM to publish a breakdown of what it has done with about £3.5 million, which it has had under the scheme. I also ask why, if Thompsons solicitors is so good and pioneering, it is not contributing, too. It has done very well out of the mining industry in the past 10 years.

I take exception to a point made by Lord Sawyer:

> "If there is a dispute about deductions by the union in any mining community, it should be resolved within that community rather than be made into a political football, as it has been by some." —[*Official Report, House of Lords*, 11 July 2006; Vol. 684, c. 662-64.]

I have tried to resolve this issue in the mining communities, as the noble Lord would know if he had taken the trouble to speak to me. I wrote to the general secretary of Durham NUM, David Hopper, on 3 February 2005; to date, I have had not a reply. In that letter, I finished by saying that if he wished, or his executive wished, for me to address them in any way, they should please contact me:

> "I am more than willing to speak to either yourself or your committee."

To this day, I have not heard anything.

What I have heard is many mutterings behind the scenes in the trade union movement about how Kevan Jones is selling out the movement and his past. I was also, apparently, condemned, by name, from the podium last week at the Durham miners' gala. The gutless individuals who could do that there are not prepared to meet me or talk to me directly about the issues.

It is vital that we press the new clause. I want assurances from the Minister that if she cannot accept it, she will undertake on behalf of the Government to put the utmost pressure on the solicitors and claims handlers who have deducted moneys to pay it back. My great fear is that without pressure from the Government individual solicitors will hang on to the money and give it back only when complaints are made, and that claims handlers who have already deducted money will not be prepared to pay it back. At the end of the day, those who will suffer will be individual consumers, for whom my hon. Friend has been a strong advocate throughout the passage of the Bill, and who are the reason for its introduction.

Simon Hughes: On a point of order, Madam Deputy Speaker. I am conscious of the fact that we have had debates on two groups of amendments and that there are three groups to go. Would you be prepared to accept an amendment to the timetable motion to allow us to continue consideration and start Third Reading later if it had the agreement of all three parties represented in the House?

Madam Deputy Speaker: I understand the point that the hon. Gentleman is making, but it is not within the power of the occupant of the Chair. The timetable motion is not before the House this evening; it has already been decided.

Bridget Prentice: Concern about trade union exemptions has been a key issue in our debates on Second Reading, in Committee and again today. If we are to protect consumers it is vital that an effective and proportionate mechanism apply to those who provide claims management services. We believe that the best approach is to exempt independent trade unions that provide claims management services to their own members and their members' families, but the exemption will be subject to the condition that trade unions comply with a code of practice that we will develop in consultation with the TUC.

We have taken a risk-related approach because we believe that full regulation is an unnecessary and disproportionate burden on both trade unions and the not-for-profit sector. Regulation is aimed at commercial claims management companies. The Better Regulation Task Force recommended that course of action and the regulator's initial focus will be on authorising companies that provide a regulated claims management service and tackling companies that attempt to evade it.

The code outlines the key principles that would apply where a trade union deals with a claim on behalf of a member, and it covers the key issues raised in earlier debates. We have had constructive engagement with the TUC general secretary and his colleagues on the issue, but obviously there is much more work to do. Nevertheless, I hope that the draft gives Members some indication of the approach we are taking.

May I point out to the hon. Member for North-East Hertfordshire (Mr. Heald) that the code of practice will be issued by the Secretary of State? The Secretary of State will be the judge of the union's behaviour in relation to the code; the TUC and the unions will have a vital role in policing union activities, but the ultimate decision about exemption will be for the Secretary of State. Those principles are fundamental to provide a good service to trade union members, and we shall hold consultations about the code later this year.

We believe that the enforcement provisions are effective. If an exempt trade union falls below the standards outlined in the code of practice, the Secretary of State will withdraw the exemption. Once the exemption is withdrawn, the trade union concerned will have to stop providing the services unless it successfully applies for authorisation by the regulator. If it carries on providing the services, or even offers to provide them, without authorisation, it will be committing an offence and will be liable to prosecution.

Once the exemption for an individual trade union or any other organisation has been withdrawn, the full range of enforcement powers in clause 7 will be available to the regulator. If the organisation is suspected of continuing to provide services, the regulator can require the provision of information and documents, seek a warrant to enter and search premises and apply for an injunction restraining the organisation from providing the services. I hope that reassures Members that the full force of the law will be available to the regulator if people fall below the standard required. The actions of a very few unions, which have been well described during the debate, should not detract from the excellent work of the overwhelming majority of trade unions on behalf of ordinary hard-working people.

Mr. Heald: As the Minister knows, if complaints are made against ordinary claims handling companies—not trade unions—a whole range of investigatory powers come into play, such as search and so on. Why does she think they are unnecessary for trade unions?

Bridget Prentice: I thought that I had just made it as patently clear as I possibly could that, if the trade union falls below the standard set out in the code and continues to offer the services, all the enforcement powers under clause 7 would apply to it, too.

New clause 1 is unnecessary because we do not need further definition of the criteria in legislation and it would militate against the purpose of exemption. It would be too rigid and might mean, for example, that an individual citizens advice bureau would have to be assessed against the criteria. That would be unnecessarily bureaucratic and disproportionate.

New clauses 2 and 5 are also unnecessary. As I have explained, if the behaviour of an exempt organisation falls below the required standard, the Secretary of State can withdraw the exemption. Once it is withdrawn, an exempt organisation that continues to provide the service without authorisation will be committing an offence under clause 6 and can be prosecuted. The separate offence that the hon. Member for North-East Hertfordshire proposes is superfluous, as is a separate power to seek an injunction—it is already contained in the Bill. What he proposes would also make the penalty for failing to comply with the code of practice attached to an exemption more stringent than the penalties for authorised persons who break the rules. That seems to be to be the wrong way round.

8.45 pm

I agree with my hon. Friend the Member for Hendon (Mr. Dismore) that trade unions play an extremely valuable role in assisting ordinary hard-working people. They have a long history of championing the rights of workers in relation to health and safety at work and employment. They are also among the most regulated organisations in the country, which is another reason why it is unnecessary to make them immediately part of the regulatory issue in the Bill. However, we have to recognise the concerns that my hon. Friends the Members for North Durham (Mr. Jones) and for Bassetlaw (John Mann) raised about a small number of trade unions in relation to the coal health compensation scheme. I take those concerns very seriously and have been working with them and the Law Society to ensure that those issues are resolved. I hope that my hon. Friend the Member for Hendon understands the reasons for this approach. We want to do something that is proportionate for trade unions, but we also want the power to protect union members in the rare cases where the service that they receive is not up to scratch. On that basis, I hope that he will not press his new clause.

On amendment No. 5, the hon. Member for North-East Hertfordshire spoke of his concerns about inappropriate and misleading advertising. I agree with him that some of the advertising is outrageous and has to be condemned absolutely. An essential part of the claims management regulatory framework will be rules governing the conduct of authorised persons. Compliance with those rules will be a condition of authorisation and any authorised person who does not comply will face disciplinary action by the regulator. That can include attaching conditions to their authorisation—for example, preventing them from providing a particular type of service or from handling client money. It can also involve suspending their authorisation or cancelling it.

Advertising is a crucial area. The key issue is that it should not be misleading to consumers. That is covered by the codes of the Advertising Standards Authority and the authorised person's responsibilities can be reinforced in the rules with explicit reference to the ASA codes. The rules will help to ensure that authorised persons adhere to high standards across all their marketing activities, which will be enforceable by the regulator. The rules that we have issued set out what we expect the standards applied to authorised persons to be. That includes not making misleading or exaggerated statements; not using expressions such as "no win, no fee" without qualification, unless there is no possibility of the client having to meet any costs that he may have incurred in connection with the claim; and not offering an immediate cash payment or similar payment as an inducement for making a claim. I hope that that reassures the hon. Gentleman.

On new clause 11, the Law Society has taken action to deal with complaints about solicitors who have taken costs in addition to those paid by the Government under the terms of the coal health compensation scheme. The Law Society has assured me that it takes complaints made to it about the scheme very seriously and many solicitors have already been referred to the solicitors disciplinary tribunal for disciplinary action. I empathise with Members who have first-hand experience of the disgraceful behaviour of some of those solicitors. I hope that they take some comfort from the knowledge that action is being taken against those who breach the rules. I understand that some £3.6 million that was made from additional charges has been repaid. But, of course, that is not enough. I know that colleagues in this House are working hard on behalf of their constituents to get additional fees returned, and I welcome the fact that they will continue to do so. I will continue to monitor the Law Society's handling of these complaints.

I spoke in Committee about the requirement for claims management companies to provide the regulator with details about the information that they give to clients about fees. That is a key aspect of the authorisation criteria. The information that is given to clients should be clear and transparent. That is crucial and will be an important requirement of the rules.

It is our intention that the regulation should be effective and have teeth. The regulator will not tolerate attempts to mislead or misinform consumers, because that would be a clear breach of the rules with which all authorised persons will be expected to comply if they wish to provide a regulated claims management service. An authorised person who is found to be in breach of the rules will be severely reprimanded, and the sanctions will include the authorisation being suspended or cancelled. Given those stringent safeguards, I hope that my hon. Friends will not press new clause 11 to a Division.

Points were raised about the code of practice. We have an early draft of the code at present, and it is still being discussed in detail with unions, legal professionals and others. We can thus think about including a consideration of clarity about fees and funding in those discussions. I can tell my hon. Friend the Member for Bassetlaw that Vendside would not be subject to the exemption in the first place. As a separate company, it would have to be authorised if it wanted to continue to carry out claims management services. It is our intention that any subsidiary company, whether owned wholly or in part by a trade union, will not fall within the terms of the exemption. The only bodies covered by the exemption will be independent trade unions listed by the certification officer.

Let me turn to retrospection. Clause 8 will allow the Secretary of State to make transitional provision in regulations. For example, that will allow provision to be made for the regulator to use his discretion to investigate complaints relating to an authorised person in respect of conduct that began before the commencement of the Bill and continued after that commencement.

There will be a definition of a member in the exemption order. We have been absolutely clear that the exemption will be limited to members and their families. When trade unions act as claims farmers and pursue claims on behalf of non-members, they will have to be regulated. I have made it clear that we will ensure that there are no loopholes. Trade unions will not be able to sign up associate members only for the purpose of dealing with claims. However, retired members will be included in the exemption because they will clearly be part of a legitimate trade union activity.

The hon. Member for Montgomeryshire (Lembit Öpik) made an interesting point when he asked the hon. Member for North Southwark and Bermondsey (Simon Hughes) about minimum turnover requirements for smaller businesses. We are consulting on the fees payable by companies for their authorisation. However small a company's turnover, it is the consumer who needs proper safeguards to ensure that there is adequate protection. We are examining the situation so that there is as much balance as possible.

Government amendments Nos. 11 and 12 will put beyond doubt the fact that the Secretary of State could bring claims management services that were provided in relation to industrial injuries disablement benefits within the regulatory net. As well as listening carefully to hon. Members' concerns, we have continued to speak to many stakeholders about the introduction of the new regulatory regime. That has included discussions with Citizens Advice and Judge Michael Harris, the president of the social security and child support appeals tribunal, both of whom have raised concerns about claims management in relation to claims for industrial injuries disablement benefits and some other welfare benefits. Commercial intermediaries typically charge a flat fee for such a service, or take a percentage of the benefit payment if the claim is successful. Claims of that type would be made at a time when a person was already suffering from the trauma of the injury, which would make them more vulnerable. If consumers are being targeted, we want to be able to help by stepping in and providing appropriate protection.

We have considered further the definition in clause 3. Despite its breadth, there is sufficient doubt about whether claims management services for such claims would be covered to justify bringing forward the amendments. The amendments explicitly allow the Secretary of State to bring claims management services provided in relation to industrial injuries disablement benefits within the regulatory net by allowing an order to be made which defines these as claims for the purposes of part 2 of the Bill. The order will be subject to the affirmative procedure. That means that claims management services in relation to industrial injuries disablement benefits could be regulated by order under clause 3(2)(e).

The amendment is precisely targeted on industrial injuries disablement benefits, which are benefits of a compensatory nature. It does not extend to welfare benefits more generally, because that would be beyond the scope of the Bill. There is some limited evidence of organisations offering advice on claims for other social security benefits on a commercial basis, but they are most active in the area of industrial injuries benefits. Our debate will serve our consideration of the code of practice. All hon. Members should be assured that it will be taken into account.

I have reflected on the issues raised by the hon. Member for North Southwark and Bermondsey. Parliament should have the opportunity to debate the initial exemption order under clause 5 and any subsequent restriction or removal of exemption. We hope to capture almost everyone in the first order, but we are working with an unusually broad definition, so if a small number of organisations emerge that fall within the definition but on which it is not appropriate to regulate, subsequent orders can be used to tidy up anomalies. I would not want to take up valuable parliamentary time on those, but I am pleased to say to the hon. Gentleman that I am delighted to accept amendments Nos. 15 and 16.

Mr. Heald: I thank the Minister for her helpful assurances about advertising, which is an important issue. There have been some dreadful examples of advertising by claims handlers and it is welcome that she is to be so active on that issue.

I welcome the Minister's announcement about industrial injuries benefits take-up campaigns by commercial claims handlers, and the amendment that deals with that. It is welcome that she has agreed to the affirmative resolution procedure for the exemption orders.

I listened to what the Minister said about associate membership of trade unions and the abuse about which we have heard from the hon. Member for North Durham (Mr. Jones). She responded by saying that cases of associate membership will be regulated, and that is also a welcome move.

There is a lot to welcome, but as the Minister knows I have said from the outset that there should be a level playing field for trade unions and other forms of claims handler. I concede that she has responded to the particular abuse of associate membership, but as we heard from the hon. Member for Bassetlaw (John Mann), there is still concern about organisations such as the BNP trying to convert to trade unions to benefit from the exemption. Over recent years, we have seen a certain desperation in particular sections of trade unions to get at the money in order to survive. Against that background, I am not as confident as the Minister that a purely voluntary arrangement for trade unions—exempting them specially—is the right way forward. I therefore ask my colleagues to join me in the Lobby in support of new clause 1, which is vital if we are to create a level playing field in this area.

[Mr. Heald]

Question put, That the clause be read a Second time:—

The House divided: Ayes 162, Noes 301.

Division No. 290] **[8.58 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Chope, Mr. Christopher
Clappison, Mr. James
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Duddridge, James
Duncan, Mr. Alan
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howarth, Mr. Gerald
Hughes, Simon
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
Miller, Mrs. Maria
Milton, Anne
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
Öpik, Lembit
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Randall, Mr. John
Redwood, rh Mr. John
Rennie, Willie
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Spelman, Mrs. Caroline
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Angela Watkinson and
Mr. David Evennett

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert

Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khabra, Mr. Piara S.
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Jonathan Shaw and
Huw Irranca-Davies

Question accordingly negatived.

Clause 14

ORDERS AND REGULATIONS

Amendments made: No. 15, page 9, line 8, at end insert—

'(6) The first order made under section 5 may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.

(6A) An order under section 5 which has the effect of removing or restricting an exemption from section 3(1) may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.'.

No. 16, page 9, line 9, leave out 'an' and insert 'any other'—*[Simon Hughes.]*

Clause 3

PROVISION OF REGULATED CLAIMS MANAGEMENT SERVICES

Amendment made: No. 11, page 2, line 38, at end insert—

'(5) The Secretary of State may by order provide that a claim for a specified benefit shall be treated as a claim for the purposes of this Part.

(6) The Secretary of State may specify a benefit under subsection (5) only if it appears to him to be a United Kingdom social security benefit designed to provide compensation for industrial injury.'.—*[Bridget Prentice.]*

Clause 14

ORDERS AND REGULATIONS

Amendment made; No. 12, page 8, line 44, at end insert—

'(3A) An order under section 3(5) may not be made unless a draft has been laid before, and approved by resolution of, each House of Parliament.'. .—*[Bridget Prentice.]*

Clause 15

COMMENCEMENT

Amendments made: No. 7, page 9, line 16, leave out 'section 1' and insert 'sections 1, 2 and [Mesothelioma: damages]'.

No. 8, page 9, line 22, at end insert—

'(3) Section [Mesothelioma: damages] shall be treated as having always had effect.

(4) But the section shall have no effect in relation to—

(a) a claim which is settled before 3rd May 2006 (whether or not legal proceedings in relation to the claim have been instituted), or

(b) legal proceedings which are determined before that date.

(5) Where a claim is settled on or after that date and before the date on which this Act is passed, a party to the settlement may apply to a relevant court to have the settlement varied; and—

(a) a court is a relevant court for that purpose if it had, or would have had, jurisdiction to determine the claim by way of legal proceedings,

(b) an application shall be brought as an application in, or by way of, proceedings on the claim, and

(c) a court to which an application is made shall vary the settlement to such extent (if any) as appears appropriate to reflect the effect of section [Mesothelioma: damages].

(6) Where legal proceedings are determined on or after that date and before the date on which this Act is passed, a party to the proceedings may apply to the court to vary the determination; and—

(a) "the court" means the court which determined the proceedings,

(b) the application shall be treated as an application in the proceedings, and

(c) the court shall vary the determination to such extent (if any) as appears appropriate to reflect the effect of section [Mesothelioma: damages].'. .—*[Bridget Prentice.]*

Clause 16

EXTENT

Amendment made: No. 9, page 9, line 24, at end insert—

'(2) But section [Mesothelioma: damages] (and section 15(3) to (6)) shall extend to—

(a) England and Wales,

(b) Scotland, and

(c) Northern Ireland.'. .—*[Bridget Prentice.]*

Title

Amendment made: No. 10, in title, line 2, after 'duty;', insert

'to make provision about damages for mesothelioma;'.—*[Bridget Prentice.]*

Order for Third Reading read.

9.15 pm

Bridget Prentice: I beg to move, That the Bill be now read the Third time.

As the House knows, the Bill is part of a much wider set of initiatives that have been taken across Government. We are determined to tackle practices that can stop normal activities taking place because people fear litigation or have become risk averse. We want to stop people being encouraged to bring frivolous or speculative claims for compensation. The provisions of the Bill help us to do that.

Clause 1 will provide reassurance to the many people and organisations anxious about possible litigation, such as those in the voluntary sector, about how the law works. It will serve a valuable purpose in improving awareness of this aspect of the law and in ensuring that normal activities are not prevented because of the fear of litigation and excessively risk-averse behaviour. I want to confirm for the avoidance of any doubt that clause 1 is not intended to change the law in relation to statutory duties that are not expressed in terms of a duty of care, and which thus do not depend on whether the employer should have taken particular steps to meet a standard of care.

Mr. Julian Brazier (Canterbury) (Con): Conscious of the fact that *Hansard* is now usable by lawyers in a court, can the Minister confirm what she implicitly confirmed in Committee but has never said explicitly—that the court should take account of the clause where an activity is organised by a voluntary organisation or is perhaps a sporting or educational activity? The clause uses the word "may" because desirable activities can be wide-ranging. Should not the court take account of the clause where an activity is in a core area such as that which the Minister described?

Bridget Prentice: I can confirm to the hon. Gentleman that the court would be expected to take into account all the issues surrounding the activity. As I explained in notes that I sent to hon. Members, one of the reasons why we used the word "may" rather than the word "shall" is that all the different matters that the court must take into account should have equal status.

Clause 2 will provide reassurance on how the law works and encourage the giving of apologies and offers of treatment and redress without reducing the protection which is currently available to claimants.

Lembit Öpik: The Minister will recall that in Committee we had a fairly extensive debate about whether we should change clause 2 so that instead of referring to

> "An apology, an offer of treatment or other redress"

it would have referred to, "An apology, an offer of, or provision of, treatment or other redress". At the time, I had the impression that she was going to accept that amendment on Report, yet the Government did not table it, nor was the matter discussed during the proceedings that we have just completed. Why did the Government take that decision? Can the Minister assure people who, for example, offer treatment in a situation where an accident victim is incapacitated that they will not automatically leave themselves open to some kind of litigation?

Bridget Prentice: I am grateful to the hon. Gentleman and sorry that we did not reach that part of the debate. In Committee, he cited the example of a car accident in which one of the people involved is unconscious and the other person is a doctor, and asked whether the doctor should not do what he can to look after the injured person. I considered that carefully in discussions with officials, parliamentary counsel and others and those discussions confirmed that that area is sufficiently covered by section 5 of the Mental Capacity Act 2005, which will come into effect next April. It provides that if a person acts in connection with the care or treatment of a person who lacks capacity in respect of the matter in question and it is in his or her best interest for that treatment to take place, the person providing the care or treatment does not incur any liability that he would not have incurred if the injured person had been able to consent. That does not prevent a claim from being made if the person has been negligent in providing the care or treatment, but in respect of the provision of that care or treatment, it is sufficiently covered under section 5 of the Mental Capacity Act 2005. I hope that that sufficiently reassures the hon. Member for Montgomeryshire (Lembit Öpik).

Lembit Öpik: I am grateful to the Minister and pleased that she has researched the matter. She knows that a number of organisations, including St. John Ambulance, are very concerned about the issue. For the avoidance of doubt, is she saying that the forthcoming implementation of the Mental Capacity Act 2005 will provide a degree of protection to individuals who offer some form of medical assistance to individuals who are too incapacitated formally to give their assent and that the risk of litigation when carrying out an act in good faith, which is believed to be in the best interests of the patient, will be minimised?

Bridget Prentice: I can confidently give the hon. Gentleman the assurance that the Mental Capacity Act 2005 will cover people in those circumstances—and rightly so.

Regarding part 2, all Members who contributed to our debates have been unanimous in their support for the regulation of claims management services. The Bill sets out a framework for such regulation and I hope that our debates on Second Reading, in Committee and again today have clarified a number of outstanding concerns. I am pleased to report that we now have a Bill that will deal appropriately with the inappropriate practices of some claims companies.

I have explained that the definition of claims management services is wide in order to avoid loopholes, but it will be targeted only at sectors with the greatest risk of consumer detriment. Those sectors will be brought into the regulatory net—and, of course, removed, if appropriate—by the order of the Secretary of State, subject to the affirmative resolution procedure, as agreed this evening. We published a draft order last week, seeking views on the sectors that we propose should be included, such as personal injury, housing disrepair, employment, criminal injuries compensation and claims for the mis-selling of financial products.

I am pleased that hon. Members agreed to the Government amendments, which will allow us to bring claims management services in respect of industrial injuries disablement benefit within the regulatory net. That represents a minor but none the less important addition to the Bill that will help to ensure that consumers do not suffer at the hands of claims management companies.

Mr. Hollobone: Does the Minister appreciate that companies with a good reputation in this field, such as the National Accident Helpline based in my Kettering constituency, genuinely welcome this part of Bill? In common with the Government and the Opposition, they want disreputable claims management companies to go out of business, but it is important to acknowledge that there is a legitimate need for claims management companies that provide a good service for people.

Bridget Prentice: I appreciate that the hon. Gentleman has been assiduous in his support for the company in his constituency, which sent me a letter asking for clarification on a number of issues. I am very happy to provide it and I will shortly reply to those points. I commend the hon. Gentleman's work in looking after the company in his constituency.

Lembit Öpik: This will be my third and final intervention in the entire debate on the Bill. I am grateful for the Minister's response to the issues I raised about the thresholds for regulation in respect of small companies. Sadly, I was not in my place, but I followed the debate from elsewhere. I am not asking the Minister to make any specific commitments, but my constituent, Graham Owen, raised a point that probably applies to many companies that consequentially end up doing work of the type that the Minister described. I hope that she will enter into a dialogue with some of the smaller companies to see what is reasonable and what will help them to stay in business without compromising the intent of the Bill.

Bridget Prentice: I can assure the hon. Gentleman that we will take into account the position of the smaller companies, so that the decision is a balanced one.

The new provisions on mesothelioma that we have added today will make a real difference to the claimants and their families who are suffering as a result of that horrible disease. This is one of those times in Parliament when Members in all parts of the House can be justly proud of the fact that we have made serious changes to a Bill that will directly affect people in a positive way. Politicians sometimes get a bad reputation—often through their own fault—but on this occasion I am pleased that Members in all parts of the House have been supportive in ensuring that these amendments have been added to the Bill, and I am proud that they have been included. We will continue to work with others on this area. My right hon. Friend the Secretary of State for Work and Pensions will shortly bring other matters relating to it before the House, and we will ensure that the victims obtain their compensation as quickly and as easily as possible.

I thank colleagues in all parts of the House for the constructive spirit in which they have debated the Bill. There are a number of hon. Friends to whom thanks are due, but I hope that they will not mind if I say that I thank in particular my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham), who has worked assiduously on this issue. I am pleased that we

[Bridget Prentice]

have gone some way towards realising his demands on behalf of the victims of this terrible disease. I also thank both Chairmen of the Standing Committee and all its members, and Members from all parts of the House who have contributed to what has been a thorough and useful examination of this important Bill. I thank in particular the hon. Members for North-East Hertfordshire (Mr. Heald) and for North Southwark and Bermondsey (Simon Hughes), as well as the other Members who have made a valuable contribution to our debate.

I also thank the organisations that have helped us to put the Bill together, such as the Association of British Insurers, the TUC, the Association of Personal Injury Lawyers, the various voluntary and other organisations that have been helpful, and of course my right hon. and noble Friend Baroness Ashton, in whose name this Bill stands. I also thank the officials and parliamentary counsel, who deserve a particular vote of gratitude from the House for having been able, in the end, to get the mesothelioma amendments together in such a way that they were acceptable, so that we could debate them today, and so that we can make them law before the end of this parliamentary Session.

I commend the Bill to the House.

9.27 pm

Mr. Heald: The Bill has been improved during in its passage through Parliament. I join in the thanks to the two Chairmen of the Committee, and I also thank the Minister, who has been courteous and has responded on many points, the hon. Member for North Southwark and Bermondsey (Simon Hughes), who spoke for the Liberal Democrats, and all the Members who have taken part in deliberations on the Bill. Perhaps I should also thank the usual channels for ensuring that we kept in order and got through what we had to get through in Committee.

We are pleased with the amendment obtained by my noble Friend Lord Hunt which adds clause 2 to the Bill. It allows offers of treatment, rehabilitation and apologies without admissions of liability. That builds on the principles that the Association of British Insurers and the Citizens Advice Bureaux set out in their initiative, "Care and Compensation". That should mean that there will in the future be more focus on early settlement of claims and treatment to get victims healthy and back to work as soon as is practicable.

We are pleased that the Government have been able to listen to pleas to help the victims of mesothelioma, and with the Minister's assurance that that will be underpinned with rules of court and that she will do what she can with her colleagues to speed that through. The lack of joined-up government on the case of Barker *v.* Corus was clearly unfortunate and I shall revert to the matter of how much money was spent. Matters were pursued in the wrong way.

However, in Committee, we supported clause 1, which restates the law of negligence. I hope that it will be possible to follow up the impetus that the amended clause 1 will give with some advertisement of exactly what the law of negligence means and an attempt to educate some of the public authorities—scouts, guides and others who take part in the desirable activities that we have spent much time discussing.

Landowners, occupiers and leisure park owners had hoped for some further discussion of what clause 1 means for them, because there has been a reasonably sensible and robust attitude to occupiers' liability in the courts. They therefore hoped for some assurance from the Under-Secretary that clause 1 will not change that and that they will not be subject to further cost and burdens in dealing with an unpredictable liability. Much land has natural features and it should not be necessary to erect signs, fences and unsightly and expensive clutter around them. It was hoped that we would hold a little more debate about that to ensure that the law is not being changed. The Under-Secretary's general comments suggest that it is not.

We hope that the voluntary code for unions will work, despite our reservations. We will watch closely to ensure that it does—the Under-Secretary need not worry about that. We still believe that it is a pity that the regulator will not be an established regulator such as the Financial Services Authority. However, the Government could reassure us by announcing the appointment of a senior figure, with knowledge of that world, to work with a major trading standards office. There has been speculation that someone of the calibre of Mr. Mark Boleat may be available for the role. That would be most welcome. When can we expect the announcement? Have I missed it?

Overall, the Bill has some useful provisions to help tackle the perceived compensation culture. It is a modest measure—and there is a big agenda to tackle—but it is greatly improved.

9.32 pm

Simon Hughes: The Bill started as a measure of one part, grew to one of two parts and ended up as one of three parts. It is none the worse for that—indeed, the third addition is broadly welcome.

Like others, I am grateful for the constructive way in which everybody has participated. It is fair to say that, although part 1 was controversial, it probably reflects the broader majority view across the House. Although some have concerns about adding to lawyers' opportunities, we must none the less hope that they will be restrained.

I say to the hon. Member for Canterbury (Mr. Brazier) that counsellors' advice to Ministers, which I was kindly shown, on the "may" or "shall" option was persuasive. Perhaps he will be slightly reassured by that, although I am happy to try to persuade him outside later.

It is regrettable that, in your absence, Mr. Speaker, and through no fault of yours, we were unable to debate the last three groups of amendments on Report. One would have allowed us to raise the other definition issue that rightly took up time in Committee and the House of Lords—whether "desirable activity" was the right phrase. Again, I was encouraged to know that Treasury counsel and those who advise the Government and the draftsmen and women see the merit of a good argument. They nearly appeared to suggest that an alternative might be more acceptable. They just backed off that in the advice that the Under-Secretary shared with me.

Mr. Brazier: I am most grateful to the hon. Gentleman for giving way, and for his earlier back-handed tribute. The two points to which he has referred are, of course, inextricably linked. The case for having "may" rather than "shall" is that the Bill contains the enormously wide and rather vague term "desirable activities". Had we had a narrower term—as I think the hon. Gentleman would have wanted, and as we certainly did—there would have been a case for "shall".

Simon Hughes: I hope that we have not lost the watching millions as a result of our tightly argued case for the legal alternatives. The hon. Gentleman is quite right. I had hoped to persuade Parliament that phrases such as "an activity of social value" or "socially valuable", which are to be found elsewhere in case law, would make a better argument, not least because they would not allow ambiguous interpretation. That is, they would not allow someone to ask to whom the activity was desirable. By definition, they would mean that it was valuable to the community, whereas "desirable" could mean that it was desirable merely to an individual. However, the opportunity to win that argument in the last round was counted out by the time constraints on our debate.

The second substantive issue on the provision of claims management services contained only one major controversial point, and it remained controversial to the end. That was the issue of whether trade unions should be included or excluded from the provisions. I am grateful to the Minister for accepting the amendments that will allow for the subsequent statutory instruments to be debated in both Houses as a matter of course. That means that the matter can be returned to and that we will have the debate that I, and the hon. Member for Hendon (Mr. Dismore) and some other Labour Members, want to have. There are arguments on both sides; this is not a cut and dried case. However, the consumers out there need the reassurance that they will have a good, properly regulated service, and that they will not be abused, as some people have been in the trade union context, along with many more outside that context. That is our objective.

When the Bill was first introduced, we were all keen to use it as an opportunity to deal with the great needs of mesothelioma sufferers. I pay tribute to the Minister, her civil servants and those who worked with them to ensure that we had the amendment on this issue. My hon. Friend the Member for Cambridge (David Howarth) raised a small matter, which could be corrected without any prejudice to anyone when the Bill goes to the Lords, to ensure that everyone is best protected. I would be very keen to work with colleagues across the House to ensure that the final drafting does not delay the Bill beyond the end of this Session, as it is the Minister's wish and mine that that should not happen. I want us to make the Bill watertight, so that we do not restrict the opportunity of people with the disease, or their families, to get compensation. I am sure that, with that good will, we will be able to deliver.

The thing that will be remembered about the Bill is that last change. It will be remembered as the Bill that gave a chance of being compensated to thousands of families—in as much as money can ever compensate them—for a serious disease that often remained undiagnosed for a long time but in the end took its toll very quickly. Up and down the land, people will now be able to get some compensation. That is a good bit of work done. As the Minister said, Parliament sometimes comes together across party boundaries to make sure that we look after the people who send us here.

9.38 pm

Mr. Clapham: This is a small but significant Bill. Part 2 was obviously needed, as we have seen chaos develop after the miners' coal health claims came into being, because of claims farmers. Those companies came in and cold-called people, collected claims together, and sold them on to solicitors. Sometimes, they would hold on to them before passing them on to solicitors later for a huge fee. We have heard from two colleagues about the kind of problems that those activities have caused in their constituencies. Part 2 is therefore very welcome, as it will bring regulation and order where there was none.

I thank the Minister for her hard work in bringing forward new clause 13, which will provide an opportunity for people suffering from mesothelioma to have their compensation paid fairly. It will reverse the Barker decision, which, in my estimation, involved a great deal of unfairness. The Minister gave a great deal of thought to the issue of retrospection. That retrospection will provide an opportunity for most of the cases caught between the Barker decision of 3 May and the current position to be reviewed. I thank the Minister for what she has done. She worked hard to bring forward new clause 13, which will be beneficial.

Overall, the Bill is significant. We will look back on it for two main reasons: first, for bringing regulation were there was none, to control the claims farmers; and secondly, for new clause 13 on mesothelioma.

9.40 pm

Mr. Brazier: The experience of this Bill has been valuable, and we have produced a modest but worthwhile piece of legislation. I thank both the Minister and Baroness Ashton, the Minister in the other place, for opening their door to the all-party group on adventure and recreation in society in a series of meetings. I thank my hon. Friend the Member for North-East Hertfordshire (Mr. Heald)—

Mr. Heald: Unwittingly, I did not congratulate my hon. Friend in my Third Reading remarks, although I have done so many times before. This Bill is the culmination of a campaign for him, and something for which he has fought very hard, so I would like to congratulate him.

Mr. Brazier: I am most grateful to my hon. Friend.

I thank the hon. Member for North Southwark and Bermondsey (Simon Hughes) for his work in Committee and his support on a number of issues. I congratulate Lord Hunt on his terrific victory on clause 2 in the other place, and I also thank the Minister for the way in which she and Baroness Ashton swallowed their pride and ended up welcoming the provision, which is great.

In relation to the all-party campaign, I want to thank Ian Lewis, the director of the Campaign for Adventure, and Andrew Caplan, the legal adviser to the Scout Association, for their support. They made possible the contribution to the debate by the hon. Member for Montgomeryshire (Lembit Öpik), as well as that by the hon. Member for Sittingbourne and Sheppey (Derek Wyatt), who cannot be here tonight.

[Mr. Brazier]

The only substantive point I want to make is that we have nearly got through the *Hansard* route what we would have liked to have seen on the face of the Bill—a slightly narrower definition of desirable activities and "shall" rather than "may". Looking back over the record, I see that the Minister said in Committee that desirable activities must involve an element of collective value, not just the trivial, tautological individual desire to do them, which would apply in every case. We therefore have some limitation on desirable activities. Her answer to me tonight made it fairly clear that the court would normally be expected to take clause 1 into account. The examples given by her and the Minister in the other place of the kind of cases in which it would not be taken into account were a long way from the voluntary, sporting, educational and other activities that the all-party campaign exists to protect, so we have almost achieved what we wanted in that regard.

An awful lot of people are doing an awful lot of good in this country—the tens of thousands of scout masters and guide leaders, the huge numbers who work with young people in sports clubs, yacht clubs, canoeing clubs and more informal groups for hill walking, the teachers who take children out on school trips and so on. If the Bill stops the fatuous cases that we have seen in the lower courts over the past few years, including the one in Manchester, which I cited in my Second Reading speech, that took place during the Bill's progress through the House of Lords—

Stephen Pound (Ealing, North) (Lab): I apologise for interrupting the hon. Gentleman, and I realise that there is a certain element of mutual self-congratulation, but on behalf of my colleagues in the all-party scout group, may I tell him that his commitment and hard work, often unglamorous, from the early stages, has been greatly and widely appreciated throughout the voluntary movement, but especially in scouting? We are very grateful to him.

Mr. Brazier: I am really embarrassed by that. I thank the hon. Gentleman.

I must allow time for others to speak; I shall simply say that if the Bill puts a stop to the silly cases that come along every few months in the lower courts, Parliament will have done something worth while tonight.

9.44 pm

Mr. Kevan Jones: This has been described as a small Bill, but I believe that it will have a dramatic effect outside the goldfish bowl of Westminster. Part 2 is vital to the cleaning up of the most disreputable part of the semi-legal profession, the claims handlers. My hon. Friend the Member for Bassetlaw (John Mann) and I have described the trauma and heartache that those organisations have caused in former coalmining communities. I congratulate the Government on their proposals to tighten up the claims handling industry, and I hope that the Bill will lead to its abolition and disappearance.

I also congratulate the Minister and her team. I agree with what the hon. Member for Canterbury (Mr. Brazier) said about her open-door policy: she has been prepared to listen to my representations and those of other Members. She has also pushed through a vital measure, new clause 13, which will have a dramatic effect on the lives of thousands of mesothelioma sufferers. Before I entered the House I was a full-time trade union official. I dealt with asbestos-related claims on a daily basis, and witnessed the heartache not just of individuals when they were diagnosed, but of their families afterwards. Some of them—mainly men—were only in their forties. No amount of compensation can make up for the misery and cruel deaths that those people suffer, or for the heartache that their families undergo, but I believe that the new clause will right a wrong. I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham), who chairs the all-party asbestos group, on his tremendous work in pursuing not just this issue but the general issue of asbestos victims.

This is a good Bill. When people ask what the difference between a Conservative and a Labour Government is, we can say that although the all-party support for new clause 13 was welcome, it would probably not have been there without a Labour Government. We should not forget that, when we ask how Labour can make a difference in constituencies.

9.47 pm

Mr. Hollobone: I have approached the Bill from an unusual perspective. My constituency contains a company called National Accident Helpline—not to be confused with the Accident Group or Claims Direct—which has a very good reputation for helping people to win compensation. It has been right behind the Bill ever since it was suggested, and as its advocate I am proud to speak up on its behalf.

National Accident Helpline acts as the face, or the national brand, of a group of 100 solicitors around the country who specialise in winning compensation for many thousands of people. It exists because, whether we like it or not, a good many people are frightened of going to solicitors, and a good many others do not have the benefit of trade union representation or legal expenses insurance. They go to National Accident Helpline, which is able to assist them. It does not charge, it does not make cold calls, it does not sell insurance, it does not offer loans and it does not give legal advice. What it does is ensure that those with legitimate claims are put in touch with a solicitor in the National Accident Helpline Group, and receive the help that they deserve. It welcomes part 2 of the Bill, because it will bring proper regulation to the claims management industry.

Mr. Jim McGovern (Dundee, West) (Lab): Surely the hon. Gentleman recognises that the reason why many of the solicitors have such an unsavoury reputation is the large slice they take of the compensation that they win on behalf of anyone they represent.

Mr. Hollobone: Absolutely. That point has been well made throughout the proceedings on the Bill—but the point is that not all solicitors have a bad reputation. National Accident Helpline is a very good national brand, and it is proud to be associated with the solicitors whom it represents.

National Accident Helpline has commented on the Bill. It wants to ensure that genuine accident victims are able to access justice and are protected from any unscrupulous players entering the claims sector. That is why it sees the Bill as a vital opportunity to provide effective regulation in the sector and genuinely protect consumer interests. On that note, I congratulate the Minister on her progress with the Bill.

9.50 pm

Mr. Dismore: I think I have to pour a little rain on the parade, particularly in relation to clause 1. It is a pity we did not get to clause 1 on Report, as the hon. Member for North Southwark and Bermondsey (Simon Hughes) said. Despite what the Minister says, in my view it does create a new defence that companies will exploit, particularly in relation to accidents at work, because by definition, anyone who is at work should be, and probably is, performing a desirable activity. Therefore, their position will be weakened as a result of clause 1. I agree with the hon. Member for Canterbury (Mr. Brazier) that it changes the law but, in my view it changes it for the worse, not the better. On Second Reading I said that the clause stank, and I do not think that the smell has got any better in the debates we have had on it since then. It is a serious weakening of the rights of people who are injured, to the benefit of the big insurance companies.

I welcome the approach the Minister has adopted to mesothelioma claims. The Government have moved with commendable speed and vigour to come up with new clause 13. It is a pity that she could not go a little further and look at some of the outstanding issues around asbestos, but no doubt we will return to those debates.

I welcome part 2. I started campaigning on the issue of claims handlers when they were invented in the mid-1980s. My first meeting with the Minister's predecessor in the Department in 1997 was on the need to regulate claims handlers, so I am pleased that the Government have caught up with that important need. However, some of the debates on the issue have been a little intemperate. There has been a risk of some of the babies being thrown out with the bathwater, particularly when it comes to trade union schemes.

David Taylor: Does my hon. Friend welcome, as I do, the qualified exemption that trade unions have? Would he state how important it is that the assertions that have been made about malpractice in certain county or regional parts of trade unions must not be read over to the whole group of trade unions, particularly the National Union of Mineworkers?

Mr. Dismore: My hon. Friend makes an important point. I am pleased that the Minister has come forward with an approach that offers a sensible way of sorting out trade unions. I was concerned about the amount of mud that was being thrown earlier, with the benefit of parliamentary privilege, at some trades unions and indeed some law firms. Perhaps I should correct my own position in relation to that matter. I was never a partner in Thompsons. I was a partner in Robin Thompson and Partners until 1995, when I resigned as I did not want to be part of the new Thompsons firm, for reasons that had nothing to do with the things we have been debating today.

I have no direct knowledge of the issues that the hon. Member for North Durham has raised, although I do know that that law firm has a long and proud tradition of representing workers, from the Poplar dispute in 1926 onwards, and has created a lot of important law, often on a pro bono basis. I am concerned because those who are not here to answer for themselves have been slagged off as they have—but any suggestion that I have an association with them, as the hon. Gentleman seemed to suggest, is wrong. I started my life as a trade union official, as he did, before I qualified as a solicitor, and I no longer work for that firm. I have no commercial relationship with it in any way, shape or form. I am concerned that a lot of very good firms have been traduced in the debate that we have had on the Bill.

What is important is that we recognise that trade unions are in a special position, and that they do a lot of extremely good work on legal issues on behalf of their members and their members' families. We do not need to have the detailed regulation that the claims handlers, which are in large part very dodgy firms, need. I join my hon. Friend in the hope that those people will be drummed out of business as a consequence of part 2.

As I have said, I have grave reservations about part 1. If the Bill consisted of part 1 alone, I would not vote to give it a Third Reading. However, the downside of part 1 is balanced by the new provisions on mesothelioma and part 2, so I will reluctantly support the Bill—but I still think that clause 1 stinks.

Question put and agreed to.

Bill accordingly read the Third time, and passed, with amendments.

Mr. Speaker: With permission, I shall take motions 1 to 8 together.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

MERCHANT SHIPPING

That the draft General Lighthouse Authorities (Beacons: Automatic Identification System) Order 2006, which was laid before this House on 12th June, be approved.

COMMUNICATIONS

That the draft Television Licensable Content Services Order 2006, which was laid before this House on 21st June, be approved.

That the draft Radio Multiplex Services (Required Percentage of Digital Capacity) Order 2006, which was laid before this House on 21st June, be approved.

LEGAL SERVICES COMMISSION

That the draft Criminal Defence Service (Representation Orders and Consequential Amendments) Regulations 2006, which were laid before this House on 22nd June, be approved.

That the draft Criminal Defence Service (Representation Orders: Appeals etc.) Regulations 2006, which were laid before this House on 22nd June, be approved.

That the draft Criminal Defence Service (Financial Eligibility) Regulations 2006, which were laid before this House on 22nd June, be approved.

Financial Services and Markets

That the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2006 (S.I., 2006, No. 1969), dated 28th June 2006, a copy of which was laid before this House on 29th June, be approved.—*[Jonathan Shaw.]*

Question agreed to.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Wednesday 19th July, paragraph (2) of Standing Order No. 31 (Questions on amendments) shall apply to the Motion in the name of Mr David Cameron as if the day were an Opposition Day; proceedings on the Motion may continue, though opposed, for three hours and shall then lapse if not previously disposed of; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Jonathan Shaw.]*

Ordered,

That, at the sitting on Tuesday 25th July, the Speaker shall not adjourn the House until he has notified the Royal Assent to Acts agreed upon by both Houses.—*[Jonathan Shaw.]*

COMMITTEES

Constitutional Affairs

Ordered,

That Barbara Keeley be discharged from the Constitutional Affairs Committee and Siân James be added. —*[Rosemary McKenna, on behalf of the Committee of Selection].*

Mr. Speaker: With permission, I shall take motions 12 to 16 together.

Education and Skills

Ordered,

That Dr Roberta Blackman-Woods be discharged from the Education and Skills Committee and Fiona Mactaggart be added.

Home Affairs

That Mr Shahid Malik be discharged from the Home Affairs Committee and Ms Karen Buck be added.

Scottish Affairs

That Gordon Banks be discharged from the Scottish Affairs Committee and Mr Jim Devine be added.

European Scrutiny

That Mrs Sharon Hodgson be discharged from the European Scrutiny Committee and Ms Katy Clark be added.

Human Rights (Joint Committee)

That Dan Norris be discharged from the Joint Committee on Human Rights and Nia Griffith be added. —*[Rosemary McKenna, on behalf of the Committee of Selection].*

PETITIONS

Housing Developments

9.56 pm

Mrs. Jacqui Lait (Beckenham) (Con): I present a petition from some of my constituents in support of the private Member's Bill introduced by my hon. Friend the Member for Tunbridge Wells (Greg Clark), the Protection of Private Gardens (Housing Development) Bill. While the issue of garden grabbing and increased housing density in my outer London constituency is of increasing concern to all my constituents, Mr. Peter Gwizdala and the members of the Ashmere Avenue, Oakway and Scotts Lane action group were so inspired by the Bill that they initiated a petition of support, which has been signed by nearly 200 of their neighbours, on which I congratulate them. I know that the House will take it into consideration when we deliberate on the Bill on 20 October.

To lie upon the Table.

Scarborough Hospital

9.57 pm

Mr. John Greenway (Ryedale) (Con): I present a petition on behalf of the residents of Filey in my constituency, on the future of Scarborough hospital.

The petition states:

The petition of the residents of Filey, North Yorkshire

Declares that proposals by the Yorkshire Strategic Health Authority to review service provision at Scarborough Hospital, together with the Department of Health's instruction to the Scarborough and North East Yorkshire NHS Trust to repay all debt in the current year is unacceptable and will lead to a significant cut in the acute mental services provided by Scarborough Hospital and the likelihood that patients will have to travel to York and further afield for the treatment they need.

The petitioners therefore request that the House of Commons urges the Secretary of State for Health to intervene to protect services at Scarborough Hospital and increase funding to levels enjoyed by other Trusts and which more adequately reflect the above average elderly population, the number of visitors treated and the importance of maintaining in such a large rural area the Community Hospitals served by the Trust in Malton, Whitby and Bridlington.

And the petitioners remain etc.

To lie upon the Table.

Doncaster Airport (Road Links)

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

9.59 pm

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I am delighted to have the opportunity to speak on the subject of future road links to the Robin Hood Doncaster Sheffield airport. However, before doing so it would be remiss of me not to mention the untimely and tragic death of my friend and former colleague, Kevin Hughes, the former Member of Parliament for Doncaster, North, who sadly passed away over the weekend at the very young age of 53, after a long illness. Kevin played his full part in getting Robin Hood airport off the ground, and he was always proud both to come from Doncaster and to represent it in this place. The whole House will extend its sympathies to his wife, Lynda, and to his family and friends at this difficult time. Doncaster has lost one of its favourite sons.

It being Ten o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

Jeff Ennis: It is also timely to have a debate this week on Robin Hood airport because it coincides with Farnborough international airshow. RAF Finningley, where the airport now stands, also had a famous airshow, which was popular with many aviation enthusiasts throughout the north and the midlands.

I have the full support in this debate of the other three Doncaster MPs, and I thank the Minister of State, Department for Transport, the hon. Member for South Thanet (Dr. Ladyman), for agreeing to meet us, along with the mayor of Doncaster, Councillor Martin Winter, later this week to discuss this important subject in greater detail.

I draw to the Minister's attention the considerable support the airport has among Labour MPs from south Yorkshire and north Nottinghamshire, including that of my three Doncaster colleagues: the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Doncaster, North (Edward Miliband); the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton); and the Minister of State, Department of Health, my hon. Friend the Member for Don Valley (Caroline Flint). I am particularly pleased to be joined in the Chamber by my hon. Friend the Member for Don Valley, whose constituency includes not only Robin Hood airport but the proposed route of the Finningley and Rossington regeneration route scheme, which we know in Doncaster as the FARRRS project. My hon. Friend has played an important part in the parliamentary campaigns for the airport and for FARRRS, and she represents the villages immediately surrounding the airport, which experience its present traffic.

At one time, the idea that Robin Hood airport would be a symbol of Yorkshire pride was met with indifference. However, with support from Labour Members of Parliament from Doncaster, Barnsley, Rotherham, Sheffield and the north midlands, we set out to convince the critics otherwise. Today, few would question that judgment. The significance of this debate is that it is not about just a slip road from a motorway to an airport, but about the regeneration of the east of Doncaster along the M18 corridor. It is about the next stage in transport integration in Doncaster, and it is about the attraction of inward investment to one of the most significant business centres in Yorkshire—Robin Hood airport.

Of all the transport schemes considered by the regional transport board, I argue that the FARRRS scheme is probably the most important in meeting the Government's overall objectives. It will dramatically cut journey times to the key employment growth centres around the airport. It will interface with the southern end of Doncaster's ambitious quality bus corridor and park-and-ride scheme, speeding access to Doncaster town centre and Lakeside.

I am delighted now to have been joined by my hon. Friends the Members for Doncaster, North and for Doncaster, Central. I have never felt as much pressure as a parliamentarian as I do now with my three Doncaster colleagues to my right—although I am sure that they will agree that they have always been to the right of me.

I am sure that the scheme will provide certainty about journey times for firms that want to invest in airport-related locations near Robin Hood, including those with vehicles that currently queue on minor roads. A better alternative lies before us. There has been speculation in the press that the current road infrastructure to the airport is inadequate, but that is not true. The road network is adequate and the signage has improved, but we can build on the airport's critical mass if we improve the infrastructure. That is what FARRRS is all about. FARRRS will not only serve as a road for cars and lorries; it will also be an avenue for public transport, helping the airport to meet its target of bringing 50 per cent. of employees to work by public transport.

In this short debate, I and my colleagues want to highlight to the Minister the need to reach a quick decision on programme entry for the FARRRS scheme. That decision alone will enable Doncaster to recruit a project partner to complete detailed design and commence the statutory processes. The project has partnership funding from Peel Airports, Yorkshire Forward and, we hope, from the Department for Transport. However, the key to unlocking Yorkshire Forward's contribution is programme entry, which is what the debate is about. Without programme entry, Doncaster will be unable to secure a partner or obtain early funding from the regional development agency and the scheme will be delayed.

Delay is the enemy of good transport and regeneration policy. People always assume that road projects in the UK will take longer than planned, but there is a price to be paid for that in jobs and investment, and we do not believe that delay has to be inevitable. As we have said for years, Robin Hood airport has proved its critics wrong, delivering more than 950 jobs and serving 1 million passengers in just over a year; it serves more than 40 routes, including the first transatlantic routes from a Yorkshire airport. The airport is a Yorkshire success story, but it requires FARRRS to enable it to reach its full potential.

We know that the scheme has statutory hurdles to overcome, including a possible public inquiry. For that reason, if Doncaster is to have any chance of meeting the intended 2009 construction start date, we need programme entry in weeks, not months, so I hope that

[Jeff Ennis]

the scheme will run ahead of schedule. Doncaster's mayor, Councillor Martin Winter, will try to ensure that Doncaster council does everything in its power to make swift progress, within the usual constraints.

I would welcome the Minister's confirmation that if that regional priority scheme gets programme clearance the Department will not contribute to any delay during the later stages. Will he give us that reassurance in his response? Will he also confirm that the Department's funding contribution will be brought forward if the scheme makes swifter progress than expected?

We are aware that for some years there have been concerns about capacity limitations on the M18. Doncaster's intention to dual the White Rose way, which experiences tailbacks to the M18 at peak times, will help to resolve the problem, as will the quality bus corridor initiative. The M18 will require widening between junctions 2 and 3 sooner rather than later to resolve capacity problems that were identified several years ago by the Highways Agency and prioritised in its submissions to the regional transport board. We urge the Department to give a commitment that funding for the widening of the M18 will be agreed in due course.

Mr. Denis MacShane (Rotherham) (Lab): My hon. Friend is making a compelling case. I do not think that I have ever seen three Ministers sitting on the Back Benches in an Adjournment debate, keeping mum and unable to speak, but passionately committed to the case being made. The airport is an extraordinary success story, which needs adequate road transport if it is to be fulfilled. I have raised the issue in written questions and received the usual not terribly helpful reply from the Department—I expect that. But tonight, three weighty Ministers are backing Back Benchers from the region, saying "Do it—connect Robin Hood airport to the rest of the region and make this a success story for the regeneration of the north of England." I have every confidence that my hon. Friend the Minister, who is a southern MP, will answer yes to every point put by my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis).

Jeff Ennis: I feel really humble at this point, having the backing of my right hon. Friend the Member for Rotherham (Mr. MacShane). That underlines the fact that we are not talking about a Doncaster issue. We are talking not just about a south Yorkshire issue, but about a Yorkshire regional issue and a project that has the capability to be a flagship project not just for Doncaster and south Yorkshire, but for Yorkshire and the Humber in general.

The council is committed to resolving problems associated with the developer-led proposals near junction 5 of the M18 to reduce any adverse impact on the FARRRS scheme. That is the area of the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Doncaster, North. The establishment of a link road at junction 5 of the M18 to bring the former Hatfield colliery site forward as a new power park has the support of all my hon. Friends from Doncaster, but it will have to meet the tests of the statutory planning processes. However, as we stand, FARRRS is before us as a major regional transport and regeneration initiative and awaits the ministerial green light to proceed.

To conclude, I invite the Minister to use the experience of Robin Hood airport to look forward. The Government were right to sell the RAF Finningley air base for aviation and the Tory Government were wrong to earmark it for a prison or a massive gravel pit, which is as far as their aspirations for the site went. This Government were right to give approval to the airport after a public inquiry and the critics who said that the airport would simply divert jobs and add no value have been proved wrong. The Doncaster MPs were right in believing that this could be one of the biggest economic wins for our region, and the Government have been right to invest in good integrated transport initiatives across Yorkshire. If the Minister recognises the regional importance of FARRRS and gives programme entry to this scheme, he too will be proved right and it will be a decision that he will look back on with pride in future years.

Mr. MacShane: Straight into the Cabinet.

Jeff Ennis: Absolutely. I am sure that the Minister will have heard the old expression, "So near and yet so far." What we would like the Minister to say tonight is, "So near and yes to FARRRS."

10.12 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): Before I respond to my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis), I associate myself with the comments about our former colleague, Kevin Hughes. Kevin was a fine man, an excellent MP and a good friend. I enjoyed many meals and glasses with him in the Members' Dining Room over the years. I shall miss him and I know that the whole House, as well as the people of Doncaster, will miss him.

I congratulate my hon. Friend on securing the debate and on the passionate way in which he put his case. I am impressed by the bevy of talent that has arrayed itself around him on the Benches: my right hon. Friend the Member for Rotherham (Mr. MacShane), the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton), the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Doncaster, North (Edward Miliband) and the Minister of State, Department of Health, my hon. Friend the Member for Don Valley (Caroline Flint), all of whom have campaigned vigorously and hard for this scheme. They have all approached me in different guises and at different times to make sure that I was aware of their support for it. I am meeting many of them later this week to discuss the plans further.

Good local transport is fundamental to building thriving and prosperous communities. That is why, since 2000-01, we have more than doubled the funding to local authorities for transport in every region to more than £1.6 billion in 2006-07. Funding for local transport in the Yorkshire and Humber region has risen from £75 million to £160 million this year—a 90 per cent. increase in real terms. South Yorkshire alone will benefit from more than £37 million for small-scale schemes and highway maintenance this year.

We need to ensure that our funding for new transport infrastructure is focused on the schemes that will most effectively address the needs of each region.

To achieve that, the Government have for the first time given regions a say in decision making about transport schemes that affect them at a regional and local level. In Yorkshire and Humber—and in other regions—the regional development agency, the regional assembly, local authority partners and other key interests have been able to consider together their transport programmes against the region's high-level objectives and to develop a prioritised and affordable programme that offers the best overall contribution to meeting those objectives. They have worked together to identify which of the many proposals before them should go forward, and in what timescale. Without exception, they have done a good job of that.

The advice from the Yorkshire and Humber region, which included the Finningley and Rossington regeneration route scheme—as my hon. Friend says, that is known as FARRRS—was received at the end of January. We announced our decisions on 6 July. The region has confirmed that it regards FARRRS as an important priority and recommended that we provided £72 million from the indicative regional funding allocation starting in 2009-10.

In our response to the region, and following its advice, we included FARRRS on the indicative list of schemes that are expected to start construction in the period beginning in 2009, subject, of course, to securing all necessary statutory powers and compliance with the Department's scheme approval requirements. That is consistent with Doncaster council's timetable for starting work on FARRRS around 2009 or 2010.

As my hon. Friend the Member for Barnsley, East and Mexborough said, we have not at this stage approved FARRRS for entry to our programme of major transport schemes. That is because there are several aspects of Doncaster's business case that the Department is still considering with Doncaster. However, I can confirm that we fully recognise the objectives that FARRRS aims to achieve: to support the growth of Robin Hood airport; to provide access to prospective regeneration sites, such as at Rossington and Finningley; and to improve accessibility to the strategic road network for the communities to the south-east of Doncaster. There are two key issues that the Department is discussing with Doncaster that need to be carefully considered before we reach a final decision on programme entry for FARRRS.

The first issue relates to the growth of Robin Hood airport itself. As my hon. Friend said, one of the principal objectives of FARRRS is to provide an improved route to Robin Hood airport to support its further growth. The airport already holds a planning permission that will allow its expansion so that it can handle 2.8 million passengers a year and 50,000 tonnes of freight. I note the progress that has already been made by the airport and congratulate the owners on achieving their millionth passenger in June this year. Clearly, however, air travel is a competitive market and Robin Hood airport will need to compete effectively with other airports to meet its long-term growth aspirations. That means that we need to examine carefully a range of airport traffic forecasts when assessing the need for surface access infrastructure to cope with increased demand. We need to be satisfied that the future growth of the airport will be sufficient to justify major investment in improved surface access infrastructure. We also need to be satisfied that the airport operator will be able to make an appropriate financial contribution to the cost of the FARRRS scheme, which is also dependent on the airport's commercial success.

The second point is that we need to be satisfied that building FARRRS is not going to cause serious congestion and traffic problems on other sections of the road network that serves Doncaster and the surrounding area. It would be in no one's interests to build a scheme that resulted in increased congestion on other key routes and made accessibility both to the airport and other areas more difficult. An important factor is the extent to which FARRRS would generate new traffic by facilitating new development at locations such as Rossington and Finningley. The effect on the wider road network of the traffic generated by FARRRS also needs to be considered alongside the traffic that might be generated by other planned and prospective developments in the Doncaster area.

I understand that the Highways Agency has indicated that the developments that could be opened up by FARRRS, together with other prospective developments that would feed traffic on to the M18, may well cause unacceptable traffic queuing and congestion on the motorway. The agency's view is that, to accommodate that traffic, significant improvements may be needed to junction 3 of the M18 and to the M18 itself between junctions 2 and 3, as well as to White Rose way, which runs north from junction 3 of the M18 into Doncaster, and, perhaps, to the A1(M) in the longer term.

Doncaster council has plans to make some small-scale improvements to White Rose way in the shorter term, but it is possible that full dualling of that route would be needed if the full regeneration benefits of FARRRS are to be realised. That could cost in the order of £25 million and was not included in the region's advice for funding in the period up to 2015. Similarly, the region has made no provision so far to fund improvements to either the M18 or the A1(M) in the period up to 2015.

We therefore need to look carefully at how far the construction of FARRRS would necessitate the construction of other transport infrastructure improvements. If such improvements are needed, we will also need to consider whether funding could be provided for them on an appropriate time scale within the region's indicative funding allocation. The region itself flagged up that issue in its advice to us, and it is something on which we may need to seek its further advice.

Jeff Ennis: The Minister is making some excellent points of which, obviously, we as local MPs are aware. Does he agree that, if the local council is committed to dualling White Rose way and is willing to put its hand in its pocket to fund that, it is incumbent on the Government to show the council good faith and also to put their hand in their pocket for the future funding of FARRRS?

Dr. Ladyman: My hon. Friend is trying to tempt me, and I understand why, but those are the very discussions that we need to have with the council. We need to find out whether it is prepared to put its hand in its pocket to dual White Rose way. If it is, we can build that into our calculations about FARRRS, as

[Dr. Ladyman]

White Rose way would not affect its development. The quicker we can have such discussions, the quicker we can come to the sorts of conclusions for which my hon. Friend is hoping.

The regeneration issues raised by FARRRS also need to be considered in the context of the spatial strategy for the region and the local area. The area to the south-east of Doncaster was designated as a strategic economic zone in the objective 1 European regeneration programme. Doncaster has made significant progress as a result of that investment and we all want that to continue in a sustainable way. Now that the objective 1 programme is drawing to a close, there needs to be a debate about how best to continue the regeneration effort. That is being taken forward in the Yorkshire and Humber region through the revisions to the regional spatial strategy and, in Doncaster, by the production of a local development framework to replace the unitary development plan. It is important that we take account of the outcome of the consultations relating to the location of future development in the approval of new infrastructure such as FARRRS.

My hon. Friend asked about the possibility of bringing forward funding for FARRRS if the scheme can be progressed more quickly than Doncaster is currently proposing. It would be for the region to consider whether that could be accommodated in the indicative regional funding allocation and whether any scheme should be rescheduled to facilitate the release of funding. However, I have to warn him that I doubt whether the scheme could complete all necessary statutory procedures and be ready to start construction before 2009 or 2010. The funding programme for the region that we have announced makes money available for FARRRS in the period 2009-10 to 2015-16. That comfortably aligns with Doncaster's programme for a start on site around 2009 or 2010.

In closing this debate, I emphasise that we are working to improve transport in South Yorkshire as a whole to ensure that people are better able to access jobs and essential services. I fully appreciate the importance that my hon. Friend and other Members who are with him tonight attach to the scheme in supporting the growth of Robin Hood airport and contributing to the regeneration of South Yorkshire. Although I cannot say today when we will be ready to announce a decision on programme entry for FARRRS, I can assure the House that we are working hard to resolve all the outstanding issues with Doncaster council as quickly as possible. I promise my hon. Friend that I personally will guarantee that no hold-ups are caused by the Department for Transport or the Highways Agency. We will make sure that decisions are made as expeditiously as possible to achieve the conclusion that he wants.

I emphasise, too, the fact that the local transport plan system has provided more certainty of funding for local authorities so that they can tackle local issues to improve road maintenance and traffic management, enhance road safety and make buses more accessible and integrated with other transport modes. While those are small-scale investments in relation to FARRRS, I hope that Doncaster council and the other South Yorkshire authorities can use that funding to help improve access to Robin Hood airport by sustainable means. That will help, too, to meet the region's aim of improving public transport access to its region airports. In conclusion, I look forward to meeting my hon. Friends later this week and I promise to give them my full co-operation in trying to move this forward as expeditiously as the region wishes.

Question put and agreed to.

Adjourned accordingly at twenty-five minutes past Ten o'clock.

House of Commons

Tuesday 18 July 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Hospital Travel Costs

1. **Ben Chapman** (Wirral, South) (Lab): What assistance is available for cancer patients to help with travel costs to and from hospital. [85839]

The Minister of State, Department of Health (Andy Burnham): The hospital travel costs scheme provides financial assistance to NHS patients, including cancer patients, who do not have a medical need for ambulance transport but who require assistance in meeting the costs of travel to and from care.

Ben Chapman: Does my hon. Friend accept that cancer patients, at a sensitive time in their lives, must travel to hospital an average of 50 times in the course of their no doubt excellent treatment, at places such as Clatterbridge centre for oncology? In doing so, they incur costs of hundreds of pounds in travel and in the lottery of car parking charges. Will the Department move forward with consulting on better awareness of the hospital travel costs scheme and increasing its uptake?

Andy Burnham: My hon. Friend makes an extremely important point; he has a distinguished cancer treatment centre in his constituency. As a fellow north-west MP, I know that my constituents must travel some considerable distance to Christie's, while others in the Merseyside region travel to his constituency. I therefore accept that people can face extra financial worries at a time of stress and anxiety due to their illness. First, further work is needed to ensure that the scheme's scope is not too rigid and focused on hospital settings as opposed to primary care, where more could be done. Secondly, and more importantly, we need to get better information to people who may be eligible to benefit from the scheme. Many patients may be able to get significant support for their travel costs.

Steve Webb (Northavon) (LD): The Minister will be aware that the cumulative cost of car parking, not just for cancer patients but for other regular visitors to hospital, can be substantial. At this point, the normal ministerial reply is that that is a local issue—but is the Department of Health at all responsible? Does it feel that it has any national role at all in the health service, or will it just allow local trusts to charge what they like?

Andy Burnham: Normally, Liberal Democrats are the first to jump up and cry foul about micro-management and targets coming from the centre. Again, dare I say, they want to have it both ways. As far as I am concerned, car parking is a big issue for the public—*[Interruption.]* If the hon. Gentleman will hear me out, I shall go on to say that it is perhaps a bigger issue for the public than the managers of some NHS trusts accept. In a world in which patients have more choice, many of them will make an important point of this issue, and many trusts will be required to think harder about it. Essentially, however, it is a local decision depending on the availability of space on trust land and the proximity of the trust to the town centre.

Mr. Kevin Barron (Rother Valley) (Lab): I do not expect my hon. Friend to comment yet on the publication this morning of the Health Committee's report on NHS charges. However, we are deeply concerned about patients' knowledge of the hospital travel costs scheme. Can he ensure that that is improved? Can he also consider setting national guidelines for hospital car park charges, especially for patients, as the situation is a bit of a mess at the moment?

Andy Burnham: I woke up this morning to reports of the findings of my right hon. Friend's Committee, and I detected his forthright Yorkshire tones in some of the language used to describe the situation. He is right to say that more effort needs to be made to ensure that patients, particularly those on low incomes, are given access to information about their eligibility to claim for their transport costs, either in whole or in part. How people receive that money back from hospital trusts, whether after or before their treatment, is also an issue. My right hon. Friend is also right to say that car parking is a big issue for patients. Many trusts are making exceptions for car parking, particularly for cancer patients. Others that are not doing that should look at those who are, and see whether they can provide better support to patients at a difficult time in their lives.

Anne Main (St. Albans) (Con): According to the 19th report of the Public Accounts Committee, more than three quarters of NHS patients were not given information on financial benefits that could be used, for example, to help to pay their car parking fees. As it was stated in evidence to the Committee that progress was hoped for by the end of 2005 on delivery of disability living allowance and attendance allowance to cancer patients, what progress has been made?

Andy Burnham: The health White Paper published earlier this year made a specific commitment to consult on the hospital travel costs scheme: first, on whether the scope needs to be increased so that patients not under the care of a consultant but another health service practitioner can benefit; and secondly, working with Macmillan, which has done excellent work in this area, on exactly how patients are given information about whether they are eligible to benefit. It is not as easy as sticking a poster up on a wall; we must see how we can get relevant information to patients who may be able to benefit. That is a fair and legitimate point, and we will take that forward in consultation this autumn.

Abortion

2. **Mr. Jim Cunningham** (Coventry, South) (Lab): What recent discussions she has had with representatives of the Roman Catholic Church on Government policy on abortion. [85840]

The Secretary of State for Health (Ms Patricia Hewitt): When I met Cardinal Murphy-O'Connor and his colleagues recently, we discussed several issues, including whether the 24-week time limit on abortion should be reduced. The Government have no plans to change the law on abortion.

Mr. Cunningham: Has my right hon. Friend had consultations with any other parties, such as members of the medical profession?

Ms Hewitt: Members of the medical profession, particularly the Royal College of Obstetricians and Gynaecologists and the British Medical Association, have recently made clear that they do not believe the evidence supports any need to change the time limits specified in the present law on abortion.

Richard Ottaway (Croydon, South) (Con): Does the Secretary of State accept that if a decision is to be made, it must be made on the basis of the best advice and evidence available to Members? Will she seriously consider Cardinal Murphy-O'Connor's suggestion that a Joint Committee of the two Houses be set up to hear the evidence so that a rational and sensible decision can be made?

Ms Hewitt: That is, of course, a matter for individual Select Committees and for the House, not for the Government. However, I stress that when the law was revised in the late 1980s, the medical profession believed that the age at which a foetus was considered viable should be reduced from 28 weeks' gestation to 24. There was a clear medical consensus on that, based on evidence. There is no such consensus or similar evidence today.

Chris McCafferty (Calder Valley) (Lab): Does my right hon. Friend agree that safe and legal abortion is crucial to the mental and physical well-being of women in this country, given that no contraceptive method is 100 per cent. safe? Does she acknowledge that fewer than 0.1 per cent. of late terminations take place at 24 weeks, and that the reason for those terminations is usually concern for the health and welfare of the mother and child or the death or divorce of a partner in marriage?

Ms Hewitt: I agree with my hon. Friend. Many Members on both sides of the House fought to ensure that the law would allow women to choose a safe and legal abortion should they need to do so. Speaking for myself, I believe that that is right, and that it would be a tragedy for many women if it were reversed. My hon. Friend is also right about late abortions: according to the most recent figures that we have, 137 abortions in the last year took place at 24 weeks' gestation or above.

Sandra Gidley (Romsey) (LD): I am sure the Secretary of State agrees that improved education and access to contraception would help to reduce the abortion rate. Why are many primary care trusts cutting the number of community clinics as part of their strategy to reduce deficits? Will the Secretary of State ensure that clinics do not close, so that a vital service remains available and doctors and nurses can retain their skills?

Ms Hewitt: The hon. Lady is absolutely right: of course it is better for women not to find themselves with unwanted pregnancies. That is why we have substantially increased investment not just in contraception services but in targeted measures to reduce the number of teenage pregnancies. I know the hon. Lady will welcome the fact that the number of pregnancies among those under 18 has been falling, and is now at its lowest since the mid-1980s. However, as was recently announced by the Minister of State, Department of Health, my hon. Friend the Member for Don Valley (Caroline Flint), primary care trusts are considering how to redesign their sexual health services, including contraception services, to ensure that they are as effective and available as possible.

Audiology

3. **Helen Goodman** (Bishop Auckland) (Lab): What the current average waiting time is for a hearing aid within the NHS. [85841]

4. **Mr. Desmond Swayne** (New Forest, West) (Con): What targets she has set for audiology waiting times. [85842]

6. **Dr. Vincent Cable** (Twickenham) (LD): If she will make a statement on audiology services in the NHS. [85844]

9. **Lorely Burt** (Solihull) (LD): When her Department expects to take steps to reduce waiting times for audiology services. [85847]

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): The Department does not collect waiting times for hearing aid fittings. We aim to deliver audiology diagnostic tests within 13 weeks by March 2007, and within six weeks by December 2008.

Helen Goodman: I am sure that the Minister has spoken to many people who now have digital hearing aids, who will have told him how tremendously their quality of life and that of their families has improved. Why are hearing aids not subject to the waiting time targets that apply to other health care provision?

Mr. Lewis: We want to maintain a situation in which most patients are referred directly by GPs to audiology departments, not consultants, and we do not want to create a position that would distort that practice. However, there are genuine challenges and problems with waiting times in certain parts of the country, which is why the Department will be working with stakeholders such as the Royal National Institute for Deaf People to produce an action plan to improve waiting times across the country, rather than have the unacceptable standards that apply in some parts of the country.

Mr. Swayne: This happens all the time. One tables a perfectly straightforward question, and the Minister answers another. Is not the answer to my question, as it appears on the Order Paper, "None"?

Mr. Lewis: May I suggest that if the hon. Gentleman forwarded his questions by e-mail he might get a more satisfactory response? He should note that the £125 million invested in the programme for modernising hearing aid services has been warmly welcomed by people who have benefited tremendously from digital hearing aids, as my hon. Friend the Member for Bishop Auckland (Helen Goodman) said. I also have to say that Conservative Members did not vote for that £125 million expenditure on the modernisation programme.

Dr. Cable: Does the Minister acknowledge that, in addition to the long waiting lists for fitting—more than a year in my primary care trust area—and additional waits for diagnostic tests, there is a large legacy problem of analogue hearing aids that need to be replaced by digital aids in the course of time? What would be a realistic time frame for clearing the large backlog of commitments, which in so many cases are long awaited?

Mr. Lewis: I entirely agree that that issue must be taken seriously. It must form an inherent part of the action plan that we take forward, which will include a number of issues as well as that one. Other issues are increasing demand, inadequate capacity, work force skills and competencies, and the fact that we do not yet have sufficient focus on modern technology. Our action plan will address the remaining obstacles and ensure that people all over the country have access to the quality treatment that they deserve.

Lorely Burt: In my constituency, residents are waiting 15 months after their tests before they receive their hearing aids. Given that there is an 18-week target, that is clearly unacceptable. I wonder whether it would be possible to seek a reciprocal agreement with European countries. I am told that in Denmark hearing aids are cheaper and arrive more quickly. Some people are going over there to get their hearing aids, to avoid the waiting lists here. In Luxembourg, too, it is possible to—

Mr. Speaker: Order. I think that the Minister has already got the point that it is better abroad.

Mr. Lewis: Thank you, Mr. Speaker. At one point I thought that we were having a discussion on the Eurovision song contest—[Hon. Members: "No!"]—not that anyone in the House is going to admit to watching that. The hon. Lady raises a serious issue, and if, as we develop the action plan, I can learn from international best practice, particularly where there are successes and achievements of better waiting times, I shall attempt to do so and incorporate it into this country's approach to the problem.

David Taylor (North-West Leicestershire) (Lab/Co-op): Like me, 10 per cent. of British adults—5 million people—suffer from chronic tinnitus, and 1 per cent.—500,000 people—suffer so badly that it impacts severely on their quality of life. Will the Minister confirm whether audiology services for tinnitus, which are not necessarily linked with digital hearing aids, but often provide advice about therapeutic treatment to tackle the problem, are adequately catered for by the NHS? Many advances have been made in other areas of audiology, but this remains somewhat of a Cinderella service.

Mr. Lewis: I would be delighted to give my hon. Friend an assurance that part of the action plan will be to look into the problem of tinnitus. I know that it can be a horrendous condition that adversely affects people's quality of life and undermines their daily functioning. We should take it extremely seriously, and I confirm my commitment to my hon. Friend that as part of our action plan, we will look specifically into the advice and support that tinnitus sufferers receive.

Angela Watkinson (Upminster) (Con): What advice can the Minister give to my constituent, Mr. Sapsford, who has been waiting for five months for an audiology test? He has been told that he is not a priority because he is not over 90 years old, he is not receiving a war pension and he is not blind. My local trust cannot cope with the level of demand with the current level of staff. If the Secretary of State would consider allowing our trust to recover its budget deficit over the next two or three years, instead of in the current year, it might not have to make those cuts in essential services to patients.

Mr. Lewis: During my responses today, I have frankly acknowledged the difficulties and challenges in certain parts of the country, including the hon. Lady's constituency, but I hope that she will be equally honest with her constituents and tell them that time and again when we have debated the amount of resources that we should invest in the NHS, the party that she represents in this House has voted against that investment—so the situation could be considerably worse.

Angus Robertson (Moray) (SNP): This is an important issue for people throughout the UK. What is the Minister doing to establish best practice between the UK Government and devolved Administrations? Does he agree that it is strange to hear oppositionist tones from the Liberal Democrats on this subject when in Scotland, they are in government?

Mr. Lewis: Frankly, I am not surprised to hear that the Liberal Democrats are saying one thing in Scotland and something entirely different in England. In my experience in my constituency, they say one thing in one ward and something else in a neighbouring ward.

Mr. John Baron (Billericay) (Con): The Minister's admission that there are difficulties in this area is to be welcomed, because many—including the 33,000 patients who have to wait longer than a year for an audiology test—would otherwise have considered his written statement today on audiology services complacent. Does he accept that the Government's decision to exclude direct referrals from the 18-week time target, while including referrals made through ear, nose and throat consultants, raises the spectre of a two-tier NHS, in which the articulate and better-off will be able to ask to be referred through an ENT consultant in order to receive a hearing aid within 18 weeks, while those who do not know how the system works will have to wait far longer for their hearing aid? Does the Minister believe that that represents equitable access for all, including the 56 per cent. of patients in his local strategic health authority who have to wait longer than 26 weeks?

Mr. Lewis: The whole purpose of the action plan is to ensure that we have equitable access and that the best practice in some areas—for example, the Pennine Acute Hospitals NHS Trust, my local trust, which has zero waiting time for such services—is replicated all over the country. We need to ensure that we do not have a two-tier system. However, including direct referrals in the 18-week target would have led to a perverse incentive that we do not want to encourage. We want to continue the situation in which the vast majority of people go directly from their GP to audiology departments. Anyway, we want to see more such treatment provided in the community rather than in hospital in the future. Acknowledging the existence of challenges and issues and committing ourselves to producing an action plan is a responsible way to tackle that serious issue.

Overseas Nurses

5. **Mr. Shailesh Vara** (North-West Cambridgeshire) (Con): What her policy is on the recruitment of nurses from overseas; and if she will make a statement. [85843]

The Secretary of State for Health (Ms Patricia Hewitt): The NHS has a long history of welcoming nurses from overseas. We have also increased the number of nurses that we train in Britain by more than 60 per cent. since 1997. Those nurses should, of course, have the opportunity to progress in their careers. The Government recently changed the work permit arrangements so that in future, junior nurses from overseas can be appointed only if there is no suitable candidate from the UK or the rest of Europe.

Mr. Vara: I am grateful to the Secretary of State for that response. Given that many nurses are approaching retirement age, what assurance can the Secretary of State give that British-trained nurses alone will be able to replace them?

Ms Hewitt: Vacancies are at their lowest level ever, and we are employing more than 85,000 more nurses than we were in 1997. That substantial increase has meant that newly qualified nurses have found it difficult to get jobs. The advantage of the managed migration policy is that where shortages arise—and there are shortages in specialist jobs in the NHS—they can be included in the shortage category so that employers can obtain work permits for nurses from abroad without having to show that there is no suitable domestic candidate. That is a flexible system that can respond to changes in our own labour market. Given the present situation of newly qualified staff, it is clearly right that we should take junior nursing jobs out of the shortage category.

Mr. Jim Devine (Livingston) (Lab): I welcome the initiative by my right hon. Friend. Does she agree that there is no such thing as an ethical recruitment strategy from overseas, from developing countries? Countries simply recruited from underdeveloped countries to fill the gap, and they lost out in the end.

Ms Hewitt: I am grateful to my hon. Friend for supporting the action that we have taken, but I do not agree about whether it is possible to have an ethical recruitment policy. On that particular issue, we have led the way—not only by making it very clear that the NHS itself and staffing agencies that work for the NHS are not allowed to recruit directly from developing countries that desperately need their own staff, but by entering into agreements with countries such as the Philippines or India whereby they train more nurses than they can possibly employ, and—certainly before we made this change—by being willing to employ those staff here. I also refer my hon. Friend to the excellent work of my right hon. Friend the Secretary of State for International Development and the investment that we are putting in—for instance in Malawi and other parts of Africa—to help countries to train the health care workers that they so desperately need to care for their own population.

Mr. Stephen Dorrell (Charnwood) (Con): Is not what the Secretary of State euphemistically refers to as managed migration a panic reaction by the Government to the sharp rises in the number of unemployed newly qualified nurses? What steps are the Government taking to ensure that those numbers do not go on rising, and that we are not ploughing resources into training nurses and offering them the prospect of work, but no jobs at the end of the training?

Ms Hewitt: The right hon. Gentleman is quite right: as I said a moment ago, there are real difficulties this year for many newly qualified nurses and indeed others, including physiotherapists, in getting jobs. We have therefore been working with NHS employers, and the chief nursing officer at the Department recently issued guidelines that will make it much clearer that, for instance, the director of nursing within each trust should be working with colleagues right across the local health community—with other NHS organisations—to ensure that vacancies are created and filled wherever possible by newly qualified staff; that private agency temporary staff are reduced; and that in their place, where necessary, newly qualified staff are taken into NHS banks, where they can be offered part-time or full-time work in order to progress their training.

There are a number of practical steps being taken in different parts of the country and we will go on ensuring that that happens in order to support our own newly qualified nurses. I am not sure whether the right hon. Gentleman supports or opposes the action that we sensibly took, as the problem became clear, to ensure that we do not continue to recruit junior nurses from outside the United Kingdom and the rest of Europe. I think that that is the right step to take, and I would be interested to know whether he and his party support it.

Rosie Cooper (West Lancashire) (Lab): What dispensations are available to NHS employees who are identified for redundancy or have been made redundant, with regard to recruitment and employment in independent treatment centres in organisations such as Southport and Ormskirk hospital in my constituency?

Ms Hewitt: There are still several thousand vacancies across the NHS, and we have already taken steps to ensure that wherever possible, vacancies are ring-fenced for staff who are facing redeployment or even redundancy in their current positions. There is already a policy, which goes back a couple of years, of ensuring that staff who have been made redundant from NHS employment can, despite the additionality rule, seek immediate employment in an independent sector treatment centre that is also working for NHS patients.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): A midwife who lives in my constituency and works at Bedford hospital arrived in this country seven years ago, trained as a nurse, became a midwife and has now been told, as part of the consultation process at Bedford hospital, that she is likely to lose her job. Nearby Lister hospital has made an announcement of 500 redundancies. My constituent has been told that her chance of securing another job as a midwife anywhere in the region is zero. Does the Secretary of State feel that my constituent, who is now applying for a job in Waitrose, has been let down by the Government, along with all the other nurses who came to this country seven years ago to train?

Ms Hewitt: The hon. Lady's constituent and many other staff are facing an extremely difficult situation at the moment, as are some of the newly qualified staff to whom I referred. I assume that her constituent has already secured settlement, as she has clearly been making a valuable contribution to the NHS here for the past seven years. However, the fact remains that every hospital that is in financial difficulties, or that simply wishes to make itself more effective, is doing everything possible to avoid compulsory redundancies. When those are unavoidable—as in some cases they are—hospitals are also putting in place every support possible to ensure that staff, who have sometimes given years of service to the NHS, are supported to get other jobs in the health service.

Mr. Andrew Lansley (South Cambridgeshire) (Con): Will the Secretary of State admit that we have gone from a period of expansion to one of contraction for the nursing work force? Some 5,500 extra nurses were recruited the year before last, but 5,500 nursing posts are now to be lost in our hospital sector. It is not just nurses leaving education who cannot find a job, because, as my hon. Friend the Member for Mid-Bedfordshire (Mrs. Dorries) made clear, nurses in employment are losing their jobs. In the context of overseas recruitment, will the Secretary of State admit that? Is that not the reason why the shortages criterion has been removed not just from junior nursing posts, but from the whole of bands 5 and 6, which means that most nursing posts are affected?

Ms Hewitt: We have indeed removed bands 5 and 6, which cover the jobs for which newly qualified nurses apply, from the shortage applications. I am glad that the hon. Gentleman recognises the enormous increase in the staffing of the NHS. There are more than 200,000 additional staff and more than 85,000 extra nurses—and that was made possible by the additional investment that he and the rest of the Conservative party voted against.

The hon. Gentleman talks specifically about nurses and other staff in hospitals. The reality is that as hospitals become more effective and the NHS takes advantage of changing medical practice—for example, by employing more nurses in the community and reducing the number of emergency admissions—there will need to be fewer acute beds and thus fewer staff in some of our hospitals. He really has to decide whether he believes that the NHS should use the best medical practice to give the best care to patients and get the best value from the increased investment that we have made, or whether, along with voting against the increased investment, he is also giving up on any pretence of using that investment to the best effect for patients.

Mr. Lansley: It is a complete fiction that more nursing posts in the community are being created. In the last year for which we have figures, there were 500 fewer district nurse posts and 800 fewer health visitor posts. If the Secretary of State knows what is going on, she must have based her policy on a new set of work force supply and demand figures. Two years ago, the Department of Health's work force projection said that we would be short of 40,000 nurses by the end of the decade, and that we would need to recruit 12,000 overseas nurses a year. What is the Secretary of State's current projection?

Ms Hewitt: The work force projections that the Department of Health undertakes are all based on local projections of need developed by individual hospitals and other parts of the NHS. It is already clear that when the assessments of requirements for training places were made some years ago, several hospitals overestimated their requirements. A minority of hospitals were, even at that point, overspending their budgets at the expense of other parts of the NHS, yet also taking on new staff and commissioning new training places—and now they cannot find jobs for all the nurses who have been trained. That situation is extremely unsatisfactory and unfair to the staff involved.

We still have not heard whether the hon. Gentleman thinks that we have done the right thing. The great advantage of the managed migration policy and the new system for shortage occupations is that when we see a problem emerging, as we did earlier this year, we can take action to ensure that newly qualified nurses from abroad do not continue to seek employment here. If the situation changes in future years, we can alter that. The fact is that we have substantially increased the number of training places, by over 60 per cent., so we have no shortage of nurses at the moment.

Hospital Cleanliness

7. **Mr. Ian Austin** (Dudley, North) (Lab): Pursuant to the answer of 20 June 2006, *Official Report*, column 1792W, on hospital cleanliness (west midlands), what systems have been recently introduced to improve hospital cleanliness in the west midlands. [85845]

The Minister of State, Department of Health (Andy Burnham): The former strategic health authorities which have been merged to form NHS West Midlands established their own steering groups. The membership of these groups was wide-ranging and their remits included hospital cleaning as well as infection control. Relevant action plans are now being taken forward as a result of the input from these groups.

Mr. Austin: I thank the Minister for his answer, but will he come to Dudley again to visit our new £180 million hospital, where he can see for himself a revolutionary microfibre cleaning system that is helping to combat infections? I recently met Sue Macmillan, who showed me how the system reduces infection and improves cleanliness. We can never achieve 100 per cent. perfection, but is that not a great example of the way in which extra investment, together with new facilities and ways of working, has delivered improvements for patients?

Andy Burnham: I recently made an unannounced visit to Dudley, where I saw my hon. Friend's hospital for myself. It is, indeed, impressive, and the microfibre cleaning system used there is being evaluated by the Department to see whether or not it can make a broader contribution. Will he pass on my thanks to Sue and her team for the excellent job that they are doing? Cleaners across the NHS do a fantastic job but I am sure that, like me, the hon. Gentleman remembers the billboards at the last election that said, "How hard is it to clean a hospital?" It was a denigrating attack on the people who keep our hospitals clean, and I am sure that it was approved by the right hon. Member for Witney (Mr. Cameron). However, I am happy to pay tribute to Sue and her team, and I am sure that my hon. Friend would wish to pay tribute to many other cleaners across the NHS.

Mark Pritchard (The Wrekin) (Con): May I put on record my thanks to both public and private sector cleaners? The trouble is, however, that often they are cleaning wards that are full of litter from the Government's bureaucracy and red tape. To be serious, is the Minister confident that MRSA, VRSA and ESBL superbugs have left the Princess Royal hospital in Shropshire? If he cannot tell the House that they have done so, why has the only isolation unit in Shropshire at the Princess Royal hospital been closed?

Andy Burnham: The latest figures for 2005 for west midlands hospital trusts rated more than 30 sites either good or excellent—none was unacceptable—for hospital cleanliness. There is therefore a good record in the hon. Gentleman's region. However, on the question of whether we are satisfied, no, we are not complacent about the issue. It is crucial that trusts, from the chief executive down, put hospital cleanliness and control of hospital-acquired infection at the top of their list of priorities, because patients expect to be treated in a clean and safe environment. I give the hon. Gentleman a categoric assurance that that is what trusts should do, but he should take pride in the trusts in his region and constituency, because they are doing a good job.

Assaults (Mental Health Wards)

8. **James Brokenshire** (Hornchurch) (Con): What recent estimate she has made of the number of assaults on patients and health care staff within in-patient mental health wards. [85846]

10. **Adam Afriyie** (Windsor) (Con): How many sexual assaults took place in in-patient mental health wards in 2005-06; and if she will make a statement. [85848]

The Minister of State, Department of Health (Ms Rosie Winterton): Data from the counter-fraud security management service show 43,097 incidents of physical assault against staff working in mental health and learning disability settings in 2004-05. A report published today by the National Patient Safety Agency—a copy has been placed in the Library and I have asked for further copies to be distributed to Opposition Members—shows 558 reports of physical abuse of patients, including 122 reports of incidents relating to sexual safety between November 2003 and September 2005.

James Brokenshire: I thank the Minister for her response and for providing me with a copy of the report a few hours ago, but it is remarkable that that was prompted by Health questions, rather than previous freedom of information requests from Mind, the charity. The NPSA report is detailed, and it deserves close examination, as it recognises the important work of health professionals. However, many people are concerned about the safety of patients and the need to protect them against assault in mental health units. The report shows that there were 562 cases of patient abuse by a third party in a mental health setting, and from my reading of the graph, there were a number of cases of severe harm and, indeed, death. Can the Minister confirm that, and say what steps are being taken to minimise the risk of people in need of urgent medical treatment suffering even more trauma as a result of the actions of third parties while they are in the care of the national health service?

Ms Winterton: I certainly share the hon. Gentleman's concern about some of the issues raised in the report. We should bear in mind the fact that about 1 million people are treated in specialist mental health services every year, but of course we take many of those allegations very seriously. In the report, in collaboration with NPSA, the Department has looked at examples of best practice which implement the guidance set out by the Department to ensure high levels of patient safety. These matters are ongoing and we will continue to examine the issues raised by the report, so that if anything else needs to be done to ensure patient safety, we will do it.

Adam Afriyie: My concern is for those who are facing mental health challenges, who are perhaps the most vulnerable members of our society. In 1996 the Prime Minister made a clear commitment to the ending of mixed-sex wards. Ten years later, people have a right to know why patients are still suffering abuse at the hands of the Government—people who come to the national health service in their hour of need are found to have been abused. My question to the Minister is simple and can be answered yes or no. Will she now make the commitment to ending the use of mixed wards for mental health in-patients, and will she do it today?

Ms Winterton: Let us be clear: 99 per cent. of mental in-patient wards meet the requirements that have been laid down by the Department. Those requirements are that there should be separate sleeping accommodation and separate toilets and bathrooms. We also recommend that trusts could consider whether it is appropriate for wards to be completely male-only or female-only. Those issues are often debated, and the hon. Gentleman should recognise that. In some circumstances it is right that there are areas where males and females can go. That, in a sense, makes it a normal setting. There are also those who prefer that in some instances there should be completely separate wards. We have told trusts that where it is appropriate, they should consider such matters. As I said, there is 99 per cent. compliance in mental in-patient wards. We are working with the remaining 1 per cent. to ensure 100 per cent. compliance.

Lynne Jones (Birmingham, Selly Oak) (Lab): I share the concerns about the delay in the publication of the report, which I understand was available last November, but I commend the Government for collecting the information. We already knew from a report from the Healthcare Commission last May about the high levels of violence in mental health and learning disability units, which it attributed to the high level of staff vacancies, the lack of experienced staff in in-patient units, the overcrowding and the lack of a therapeutic and structured care system in wards. That was last May. Have things got better since then, and if not, why not? Will the Minister take urgent action to address these very difficult issues?

Ms Winterton: We are continually seeing improvements in mental health services, particularly with some of the community teams that have been set up so that there is less need for the in-patient care scenario. We have seen the development of those teams over the past five years, accompanied by massively increased investment—about £1.7 billion extra has gone into mental health services. I recently announced £140 million in capital investment to improve in-patient services for people with mental health problems.

Taken together, all these things mean that services are improving. That is not to say that we do not take reports such as this extremely seriously, or that we are not doing everything that we can to ensure that the existing guidance accords patient safety the highest priority.

Dr. Ian Gibson (Norwich, North) (Lab): Will my hon. Friend confirm the percentage of female patients subjected to such assaults, if that is known? Does she think that we have been rather more robust in ensuring the safety of our hospital accident and emergency ward employees—we have taken up the cudgels in that regard—and could we not show the same verve and enthusiasm in respect of our patients?

Ms Winterton: We have been very clear about the importance of patient safety, and particularly about making sure that there is proper protection for women. We have a follow-up strategy for some of the allegations made in the report, which is to look in more detail at some of the incidents that have taken place and to ensure that proper local investigations have been undertaken. We can then look at some of the details that my hon. Friend talks about.

On accident and emergency departments, my hon. Friend the Member for Don Valley (Caroline Flint), the Minister with responsibility for public health, issued a consultation recently that was particularly concerned with visitors to accident and emergency departments. However, it was decided not to issue the same kind of consultation regarding mental health patients, for obvious reasons.

Dr. Julian Lewis (New Forest, East) (Con): Having had a Bill on this subject talked out by the Government as long ago as December 1997, may I ask the Minister what level of compensation—if any—the Government typically pay to a woman mental health in-patient after she has been raped in an in-patient unit as a result of the Government's broken promises to eliminate mixed-sex wards?

Ms Winterton: Let me be absolutely clear: the rapes referred to in this report are allegations of rape, and we have been making sure that they are investigated at local level. If rapes had taken place and there was a police investigation, that course would obviously be followed.

Fiona Mactaggart (Slough) (Lab): Does the Minister share my concern that mental health services are more at risk of reductions in expenditure, where they have to be made, than some other areas of health provision? As she is aware from figures that I gave her yesterday, the strategic health authority in my local area budgeted for a deficit, and it is making my local mental health services pay for that deficit to a degree that has led a local authority officer to suggest that those services are not safe. What action is my hon. Friend taking to ensure—

Mr. Speaker: Order. I must say to the hon. Lady that her question is far too long. Can the Minister try to answer?

Ms Winterton: We have made it absolutely clear that mental health services should not be asked to pay more than any other trust in a given area; disproportionate sums should not be taken from mental health services. If my hon. Friend has any evidence of more demands being made on mental health than on other areas, I would be more than happy to look into that.

Tim Loughton (East Worthing and Shoreham) (Con): No one who has visited a mental health hospital remotely believes the Minister's assertion that 99 per cent. of them offer only single-sex wards: a flimsy curtain across a ward does not constitute a single-sex ward. In 2004, the Mind "wardwatch" campaign estimated that in reality, a quarter of mental health wards were still mixed, and we know that the situation has got worse, as many have had to revert to mixed-sex wards owing to deficit pressures. Only after a freedom of information request by Mind was today's National Patient Safety Agency report published, revealing those 122 reports. There are allegations that those were only the cases that were reported. There was no mention of the cases that went completely unreported.

Is it not a disgrace that the Government sought to suppress the report eight months ago? Why did they do so? How many people have suffered subsequently because of the Government's complacency and delay? What urgent action are they taking to improve conditions for vulnerable mentally ill patients in future?

Ms Winterton: Can I be—[HON. MEMBERS: "Absolutely clear?"] Yes, I want to be absolutely clear about what happened to the report. It came to the Department on 16 January. Between that date and 23 May officials worked on the report with the National Patient Safety Agency, examining specific issues, including, for example, whether the allegations of rape had been the subject of a local investigation. It was important that we did not publish information without—particularly with allegations of rape—considering whether there had been a local investigation. That would have put some vulnerable people in an extremely awkward position. We did not want to do that.

We wanted to work on some of the other data analysis to ensure that that material was accurate and that the NHS could learn lessons from it. At the end of May the report came to Ministers, who signed it off on 5 June. Between then and now we have been examining a follow-up strategy, which has now been agreed. This is the response to the question that the hon. Gentleman asked. What are we intending to do with the information—

Mr. Speaker: Order. I must be allowed to proceed down the Order Paper.

Hospitals (Surrey)

11. **Michael Gove** (Surrey Heath) (Con): If she will make a statement on the future of Surrey's hospitals. [85849]

The Minister of State, Department of Health (Caroline Flint): NHS organisations in Surrey recognise that health services must change and adapt to meet the challenges of the 21st century. The local NHS is therefore looking at how it organises, delivers and uses health care, as part of the creating an NHS fit for the future programme. Any proposals that emerge from the review will be subject to a full public consultation later this year, probably in the autumn.

Michael Gove: I thank the Minister for her answer. She will be aware that the Prime Minister visited Frimley Park hospital in my constituency only last month to congratulate the workers of Surrey NHS on the superb service that they deliver. However, only last week primary care trust representatives told me and colleagues from Surrey that there would have to be cuts in all five of our district general hospitals, and that one of those hospitals might have to close. Can we have a guarantee from the Minister that hospitals will not close in Surrey as a result of the Minister's mismanagement of NHS funding?

Caroline Flint: I am sure that there are some excellent examples of service in Surrey. The hon. Gentleman is coming to see me next Tuesday, I understand, to talk through some of his concerns. I cannot promise what he asks. It is important that we ensure that hospitals are fit for service. For example, I know that in north Surrey there has already been the relocation from acute to community settings of dermatology services and vascular surgery services. In north Surrey there is a fall service that provides out-of-hospital support for older people, particularly, who fall, with therapists and ambulance services that work together to prevent hospital admissions.

There are different approaches, which I saw in Doncaster on Friday. There are community matrons. Ken and Bill, two of my constituents, each had half a dozen visits to hospital last year. This year, they have not attended hospital. That is the sort of service that we want. We want hospitals that work for the community and services that we hope can keep people out of hospital and enable them to enjoy better health for much longer.

Mr. Jeremy Hunt (South-West Surrey) (Con): What message does the Minister have for residents of Guildford and south-west Surrey, who met last Thursday to be told that, because of a deficit, the loss of accident and emergency services at the Royal Surrey county hospital is a real possibility? Rather than insulting local NHS managers by saying that the deficit is the result of their incompetence, does the Minister not accept that the root cause of the deficit is her Government's changes to the funding formula, which systematically discriminates against rural areas with many older people?

Caroline Flint: However much money the hon. Gentleman's part of the country has had, it has been overspending for many years. There has been an 11 per cent. rise in admissions to A and E, but up to 80 per cent. of visits are non-urgent or inappropriate. Services will be reviewed to try to find better ways to provide the emergency care that some people need while allowing four out of five patients currently visiting A and E to be treated better and safely in alternative settings.

GP Lists

12. **Mr. Philip Hollobone** (Kettering) (Con): What the average size was of general practitioner practice lists in (a) England and (b) the Northamptonshire Heartlands primary care trust area in each of the last three years. [85850]

The Minister of State, Department of Health (Andy Burnham): For the years 2003 to 2005, the average practice list sizes at 30 September each year were 5,968, 6,149 and 6,250 respectively. For Northampton Heartlands primary care trust the equivalent figures were 8,162, 8,214 and 8,132.

Mr. Hollobone: Local GPs in north Northamptonshire should be thanked for doing their best with practitioner lists way above the national average. But with 52,100 new houses set to be built in the area in the next 15 years, will the Minister meet his opposite number in the Department for Communities and Local Government to ensure that practitioner lists do not rise further within the foreseeable future?

Andy Burnham: There is considerable variation throughout the country in the number of GPs per 100,000 of the population, ranging from 41 in some of the more deprived parts of the country to 83. The number of GPs in the hon. Gentleman's constituency is less than the national average, but nevertheless it is somewhere around the middle. I pay tribute to GPs in his constituency for providing an excellent service. There are 5,000 more GPs today than there were in 1997, and almost everywhere patients can now see a GP within two working days.

Mr. Bob Blizzard (Waveney) (Lab): Is my hon. Friend aware that general practices sometimes strike mental health out-patients off their lists because they can become verbally or physically abusive? One can understand that reaction, but sometimes such patients are then allocated another practice 30 or 40 miles away, which is no use to them at all and will not help them to recover their mental health. Will my hon. Friend look into that system to see if we cannot serve such people better, rather than just striking them from a list and sending them miles away?

Andy Burnham: My hon. Friend rightly draws our attention to some difficult situations. Obviously, GP practices have to take into account considerations such as the safety of staff and the general relationships within their practices. It is the PCT's responsibility to ensure that everybody has a GP, and it is right that that GP should be as close to the patient's home as possible. If my hon. Friend has examples where that has not happened, I should be grateful if he would bring them to my attention, but we believe that that is the right policy to have.

Mr. Stephen O'Brien (Eddisbury) (Con): Given the increase in the average size of GP lists, how does the Department's recent invitation through the *Official Journal of the European Union*—surprisingly drafted in almost exactly the same terms as the one that he embarrassingly had to withdraw just the other day—for private sector bodies to bid for and take over PCT commissioning services and to provide health care services, help to address the problem?

Andy Burnham: The hon. Gentleman is completely confusing two issues. We are talking here about GP services in communities, not PCT commissioning. He referred to the increase in list sizes, but if he had been listening he would know that the figures that I gave show that in 2005 list sizes were lower than in 2003. The hon. Gentleman is a north-west MP and he has far more doctors per 100,000 than I do in my constituency, which is under-doctored, so I make no apology for bringing in private sector companies that are willing to provide a high-quality, open-hours GP service to parts of the country that have traditionally had poorer access to such services. If he has a problem with that, he should say so.

Mental Health Bill

13. **James Duddridge** (Rochford and Southend, East) (Con): What progress is being made towards producing a new draft Mental Health Bill. [85851]

The Secretary of State for Health (Ms Patricia Hewitt): On 23 March 2006, the Government announced their intention to produce a Bill to amend the Mental Health Act 1983. This Bill will be introduced as soon as parliamentary time allows.

James Duddridge: Will the definition of mental disorder remain the same as in the 1983 Act, or will the Secretary of State use the definition that was in the two draft Bills, which would widen the group of people who could be compelled to be treated against their will?

Ms Hewitt: We will take the opportunity offered by the new Bill to replace the definition in the 1983 Act. We will introduce a new and simplified definition of mental disorder, which in turn will be linked to the new supervised community treatment.

Skin Cancer

14. **Mr. John MacDougall** (Glenrothes) (Lab): What progress has been made in the prevention of skin cancer; and if she will make a statement. [85852]

The Minister of State, Department of Health (Caroline Flint): We are concerned about the number of people being diagnosed with skin cancer, which kills more than 2,000 people each year in England and Wales. SunSmart, the national skin cancer prevention campaign, has been funded by the UK Health Departments. This summer, it is focusing on men and outdoor workers.

Mr. MacDougall: I thank my hon. Friend for her response. I welcome the Cancer Research UK SunSmart campaign, which is highlighting the high incidence of cancer among males. There has been a 31 per cent. increase in incidences of cancer in the past decade, and on average 1,000 out of every 1,777 cases of cancer involve males. I urge the health service to promote that message and do the best that it can to raise awareness.

Caroline Flint: I thank my hon. Friend for that point, which I could not have made better myself. On Monday next week, I am meeting my hon. Friend the Member for Swansea, East (Mrs. James) to discuss how we can control the unsupervised use of tanning beds and coin-operated machines, the use of which by under-16s has caused concern.

G8 Summit

3.31 pm

The Prime Minister (Mr. Tony Blair) *rose—*

Hon. Members: Yo! [*Laughter.*]

The Prime Minister: With permission, Mr. Speaker, I want to make a statement about the G8 summit, which took place between 15 and 17 July in St. Petersburg. I pay tribute to President Putin's chairmanship and the Russian Government's handling of the summit.

The whole summit was understandably overshadowed by the tragic and terrible events in Israel, Palestine and Lebanon. For days, we have seen the innocent killed by terrorism as a deliberate act by Hezbollah, civilians killed in the course of military retaliation by Israel, and the disintegration of our hopes for stability in this, the most fraught area of dispute in the world.

More than 1,600 rockets and mortars have fallen on northern Israel in an arc from Haifa to Tiberias, deliberately targeting civilians. In Lebanon, more than 230 people have been killed, the vast majority of them civilians. Houses, roads, essential infrastructure, factories and Lebanese army facilities have been damaged. Once again, we urge that account is taken of the humanitarian situation and that military action by Israel is proportionate. We grieve for the innocent Israelis and innocent Lebanese civilians who are dead, for their families that mourn and for their countries that are caught up in the spiral of escalating confrontation.

There are more than 10,000 registered British nationals in Lebanon, and there are probably many more, including a significant number of dual Lebanese-British nationals. We are working as hard and as quickly as we can to ensure that we can evacuate all those who want to leave. Teams of consular, military and medical officials have been deployed to Beirut, Cyprus and Damascus. We evacuated 63 of the most vulnerable British nationals from Beirut by air yesterday, but the safest way to evacuate large numbers of civilians is by sea. We have six ships in the region or heading for the region—the York and the Gloucester are now offshore, and the Illustrious, Bulwark, St. Albans and RFA Victoria Fort are heading there. The first evacuation by ship is taking place today, and further evacuations will follow. The advice to British nationals is to stay put and remain in contact with the British embassy.

We should be in no doubt about the immediate cause of this situation. It started with the kidnap of an Israeli soldier in Gaza and then action by Israel targeting Hamas on the Palestinian side. Then, without provocation, Hezbollah crossed the blue line established by United Nations resolutions, killed eight Israeli soldiers and kidnapped two more. Israel then again retaliated with air strikes against targets in Beirut. This situation therefore began with acts of extremism by militant groups that were, as the G8 said unanimously, without any justification and were, of course, designed to provoke the very response that followed.

In the communiqué issued by the G8, we refer to and condemn the activities of the extremist groups and, more elliptically, as we say, "those that support them". For most of us at the G8, we can be less elliptical. Hezbollah is supported by Iran and Syria: by the former in weapons, which incidentally are very similar, if not identical, to those used against British troops in Basra, by the latter, in many different ways; and by both of them financially.

What is at stake therefore could not be more stark. On the one side, there is Lebanon, a remarkable democratic achievement from the days when Lebanon was a by-word for instability and conflict. I have once again given Prime Minister Siniora my solidarity and support in the immense difficulties he now faces. There are also of course those in Israel and in Palestine desperate to see progress towards the only solution that will ever work there, namely, two states—Israel and Palestine, both democratic, both independent and both at peace. But on the other side are those who want no compromise and who cannot see that terrorism is not the route to a solution, but a malign, fundamental obstacle to it. They persist in terrorism, knowing that its impact there is the same the world over—to divide, to create hatred and to drive out negotiation. That is the purpose of it.

So what can be done? I know that many wanted the G8 to call for an immediate ceasefire by Israel. Of course, we all want all violence to stop, and to stop immediately, but we recognise that the only realistic way to achieve such a ceasefire is to address the underlying reasons why this violence has broken out.

In respect of Lebanon, the G8 proposed rapid work on inserting an international security presence in southern Lebanon to stabilise the situation, to ensure that the terrorism from the Lebanese side ends and, most importantly, to provide conditions in which the Lebanese armed forces can take control and assist them in doing so. Meanwhile, the United Nations Secretary-General's special envoys are in the region and will report to the Security Council later this week. We welcome these and other efforts to calm the situation.

We also encouraged dialogue between the Lebanese and Israeli Governments, and we pledged at the G8 further economic support to Lebanon. And, of course, we demanded the return of the kidnapped Israeli soldiers. Only in that way can United Nations Security resolutions 1559 and 1680 in respect of Lebanon be implemented.

On Gaza, we made it clear that our goal was an immediate end to the violence, and again we put forward the measures necessary—release of the Israeli soldiers and of the Palestinian Ministers and parliamentarians; an end to attacks on Israel; resumption of security co-operation between Israel and Palestine; restarting political contacts between Israeli and Palestinian officials; and an end to Israeli military operations and the withdrawal of Israeli forces.

However, let us be plain. We can and must stabilise the existing situation in Lebanon and in Gaza. We must then use such stabilisation to help Lebanon rebuild and eventually to re-begin negotiations between Israel and Palestine. But at root, we need to recognise the fundamental nature of the struggle in this region, which has far-reaching consequence—consequences far beyond that region and consequences even in countries such as our own. All over the middle east, there are those who want to modernise their nations and who believe, as we do, in democracy and liberty and tolerance, but ranged against them are extremists who believe the opposite—who believe in fundamentalist states and are at war not against Israel's actions, but against its existence. In virtually every country of the region, including on the streets of Baghdad, such a struggle is being played out. When this current crisis abates, that is the issue to which we must return, in the way that the G8 outlined two years ago but has not so far put fully into effect.

Let me turn to the other issues that were raised at the G8. On Africa, we made modest but important progress in taking forward the commitments of last year, including: scaling up action on HIV/AIDS through replenishing the global fund in 2006 and 2007; new initiatives on vaccines for malaria and pneumococcus; and fully funding the education fast-track initiative. We agreed to review progress on Africa again at the G8 summit in 2007. I have asked the International Development Secretary to set out the key milestones for the coming 12 months in his next report to Parliament. Those will include, for us, supporting 10 African countries, developing long-term education plans and getting the debts cancelled for five more African countries. Kofi Annan will also convene the Africa progress panel to monitor progress on the commitments given.

I also discussed Sudan with several G8 leaders and Kofi Annan. We agreed that the situation in Darfur continues to be unacceptable and that we need a quick deployment of the UN force.

On trade, at the final session it was at last agreed by all to empower their negotiators to go further. The cost of the failure of that trade round for the world's poor, global growth and multilateralism would be high. Presidents Bush, Barroso, Lula and Mbeki, Chancellor Merkel and Prime Minister Singh of India all agreed to show flexibility. Pascal Lamy has been tasked immediately with convening trade negotiators to turn that clear commitment into action, which must deliver real cuts in agricultural tariffs and subsidies and progress on non-agricultural market access. I do not minimise the substantial obstacles that remain, but at least the renewed commitment from the United States, the European Union and the G20 countries was immensely welcome. We also agreed a strong package for poor countries, including $4 billion a year aid for trade and action on rules of origin. We remain fully committed to ensuring that, in any event, it would be utterly wrong for there to be no agreement in this round on a full development package for the poorest nations.

There was also a fascinating debate on energy—of direct relevance to this country—at the summit. There was virtual consensus, in fact, on the following matters: first, energy prices will continue to rise, with a predicted increase of about 50 per cent. in energy demand by 2030. Secondly, climate change is now universally accepted as happening, including by the United States, and there is therefore an urgent necessity to make future economic growth sustainable. Thirdly, countries will need to have balanced energy policies, in which clean coal technology, carbon sequestration, renewables and nuclear power have to play a part. Our energy review was therefore absolutely in line with that consensus.

On nuclear, it was interesting to note the statement by China that it intends to develop nuclear power, by India that it regarded it as indispensable, and by many of the main oil producers, including Kazakhstan, that they would balance their reliance on their oil and gas with nuclear. That was also the conclusion of the J8—the young people from around the world who debated the issue.

The G8 also agreed on the need to accelerate discussions on an inclusive dialogue for a post-2012 climate change framework and, importantly, that that framework should include the United States, China and India. The G8 supported the need for a goal to stabilise greenhouse gas concentrations. The Gleneagles dialogue meeting in Mexico will be the next step in taking that work forward. Finally, we agreed several other texts, which have been placed in the Library.

The summit was held in circumstances that none of us could have foreseen. It was obviously dominated by the middle east. However, its conclusions on Africa, trade and energy will, I hope, stand the test of time. I commend the conclusions to the House.

Mr. David Cameron (Witney) (Con): I thank the Prime Minister for his statement. It is a deeply troubling time. The citizens of Israel and Lebanon are suffering, many British citizens are caught up in the conflict and there is a real danger that the conflict will escalate. Everyone has been watching as the world's most powerful leaders met in St. Petersburg while a vital region descended into war. They want and expect concerted action.

The Prime Minister spoke in his statement about creating the conditions for implementing a ceasefire. He is right that they must include the release of Israeli hostages, the end of rocket attacks on Israel and a future for Lebanon without armed militias. Is not it the case that we will achieve lasting peace only by addressing the underlying causes of the crisis? I have some questions about the immediate crisis and the longer-term issues, and wider questions about progress on the Gleneagles agenda.

The Prime Minister spoke about the differing emphasis in the G8 and the varying degrees of ellipticality, if I may put it like that. Despite that, will there be an intense, co-ordinated and powerful effort to bring about a resolution to the crisis in the coming days? We know that the Prime Minister is considering visiting the middle east. What part will he play in the process and how will it fit in with the role of other countries? He mentioned a UN force to act as a security presence. Can he tell us what its mandate would be, which countries have, so far, shown willingness to contribute and, given John Bolton's remarks, does it have the full support of the United States?

Stability requires the Lebanese Government to exercise full control over their country and to disband the militias. Does not that mean that United Nations Security Council resolution 1559 needs to be implemented in full? As the Prime Minister said, it is

[Mr. David Cameron]

now clear for all to see that the involvement of Iran and Syria in Hamas and Hezbollah is deeply destructive and needs to be addressed.

The whole House will be concerned about the safety of British citizens in the middle east. The Minister for the Middle East, the hon. Member for Pontypridd (Dr. Howells), said yesterday that this was potentially the biggest British evacuation since Dunkirk. What clear advice is being given to British citizens? Will the Prime Minister tell us what arrangements have been put in place to ensure that the Ministry of Defence and the Foreign Office work together as one in a co-ordinated way? The Prime Minister mentioned the warships that have been sent to the eastern Mediterranean. Is he confident that there is sufficient capacity to evacuate everyone for whom we are responsible and to accommodate them in Cyprus?

Tackling the long-term causes will involve restarting the road map, tackling Iran's nuclear ambitions and ending Syrian involvement in Lebanon. The US has offered to have direct talks with Iran, should enrichment activity be fully suspended. Does the Prime Minister agree that there is no longer any excuse for Iranian intransigence? With these significant developments in this strategically vital part of the world, and with so many British citizens—constituents of ours—caught up in the crisis, does the Prime Minister agree that we need a full-scale foreign affairs debate before Parliament rises for the summer recess?

On Gleneagles, I welcome what the Prime Minister said about the progress that has been made over the past year. On the target for HIV treatments by 2010, it is vital that interim targets be set, as we suggested. Were those targets backed specifically by the G8? A successful trade round will do more than anything to alleviate poverty. The Prime Minister said that, at the end of the G8, leaders were empowered to show flexibility. Should we be concerned that the list of leaders that he read out did not include President Chirac of France?

Time is running out. Is not this one of those moments that represents a genuine test for the G8, for the short and long term? There is a vital need for a trade deal, and today, as hundreds of innocent civilians are dying in Israel and Lebanon and thousands of British citizens remain trapped in the conflict, is there not an urgent need for concerted action to deal with the crisis?

The Prime Minister: I agree in essence with what the right hon. Gentleman has said. Let me just respond to some of the points that he raised. First, there will of course be an intense effort at Thursday's meeting of the United Nations Security Council to talk about this issue. The question of a stabilisation force or a security presence will be debated there. That proposal was supported by all the G8 countries. Of course, it will take time to build up such a force, and we will need the circumstances to be conducive to its going into southern Lebanon. I have said constantly over the past few days that even if we manage to stabilise the existing situation and to calm it down, there will still be a risk of a recrudescence of what has happened recently unless a force is put in there. If we are able to stabilise the situation, it will be important that we put in place mechanisms that will allow Lebanon to take more control of its own future.

That leads me to the important point that the United Nations Security Council resolution 1559 in respect of Lebanon was passed 20 months ago. People sometimes forget that. It called for the disbanding of all the militias in southern Lebanon and for an end to all the support being given to them. It also called for the Lebanese forces to be able to take control of the whole country. So it is not as though we have never been able to predict the possibility of such circumstances arising. It is therefore important to recognise that we will have to ensure that that resolution is implemented. It will be very difficult to do that, however, given the state of the Lebanese Government and the Lebanese nation at the present time.

That leads me on to the next point, which has to do with Iran and Syria as they effectively support Hezbollah, financially and with weapons. That is why we will of course keep up the diplomatic pressure on Iran to comply with its international obligations, and we urge Syria to take the action that it could take in relation to Hezbollah if it wanted to do so.

We believe that by the end of the week, as the Minister of State at the Ministry of Defence said, we can evacuate about 5,000 British citizens and dual nationals. The first ship is docking today; another ship will take even more people tomorrow, and we are making progress on that as rapidly as possible.

We did agree again with the G8 targets on Africa and, yes, I did choose reasonably carefully those people I listed as being in favour of flexibility at the World Trade Organisation. It is important to recognise that each of the main actors has to determine their position by reference to somebody else: President Bush makes reference to Congress; the G20 nations meet as a collective; Brazil and India cannot simply take the decision on their own; and, of course, the European Union has its own procedures and has to agree a position. What was good was the virtually unanimous view around the table that we need to make progress at the WTO, and a very strong statement from the UN Secretary-General to that effect. It was very much as a result of what was said by us and other countries that Pascal Lamy was able to attend the summit. I hope that the talks will make progress. If they do not, it will be a very great failure, and the right hon. Gentleman is right to imply that such a failure is the last thing we need at this moment. We need to show multilateral institutions succeeding, and it is for that reason, among many others, that I hope that the WTO talks succeed.

Sir Menzies Campbell (North-East Fife) (LD): It is clear that there was much constructive work done at the G8 in relation to Africa, the Doha round and energy, but it was inevitable, as today has already demonstrated, that the concentration would be on the middle east. We can agree that the recent events constitute a threat to the stability of the whole region. We can also agree that we will be able to rely on the professionalism of our armed forces to effect the necessary evacuation of British citizens. However, will the Government, on Thursday in New York, press for the Security Council to call for an unconditional and immediate ceasefire? How will it be possible to insert an international force unless there is a ceasefire? Such a force could hardly fight its way in.

We must all accept that the indiscriminate firing of rockets and missiles into Israel by Hezbollah is unacceptable, but so too is the targeted and systematic destruction of the infrastructure of Lebanon. What would happen if the Lebanese Government, already weakened, were to fall? What, indeed, will happen if the prediction of the Israeli Chief of Staff—that Lebanon will go back to what it was 20 years ago—comes about? Who will fill the vacuum that will be caused as a result? How will that be in the interests of long-term stability and peace in the region?

We must all accept that Israel has a moral and a legal right to live in peace within recognised and secure borders, but does the Prime Minister accept that that right does not legitimise action that is disproportionate and amounts to collective punishment, both in Lebanon and in Gaza?

The Prime Minister: I agree that we want a ceasefire and an end to hostilities, but that will happen only if it happens on all sides. As I said in my statement, it is important that action by Israel is proportionate, but we have to understand how this began and the underlying reasons for its beginning. Those reasons are that there are groups that have decided to take these steps at this moment. They are completely disregarding the welfare of Lebanon and, indeed, of Palestinians in Gaza. They have decided to take action that means that Israel will, of course, defend itself because, as the right hon. and learned Gentleman rightly says, it has a moral and legal right to do so.

The only way that we are going to get a solution—because whatever our nuances, we are all essentially in the same place—is, first, to put in place a strategy to calm the situation, and secondly, to deal with those deep underlying causes. That is why it is important to discuss the stabilisation force. It cannot, of course, fight its way in, but if we end up with the conditions negotiated for a cessation of hostilities, we at least need to consider having some sort of buffer force between Lebanon and Israel to allow us to create a situation in which the same problem does not break out again.

In the end, it depends on what one believes about why this happened. One can take two views. One can take the view that it was a spontaneous occurrence as a result of what was happening in Gaza. Alternatively, one can take the view, as I am afraid I do, that it was not spontaneous, but was a deliberate act of strategy to ensure that the conflict was widened. If one takes the latter view, that means that those who began the conflict in Lebanon will not give up easily. Israel will defend itself, and it is therefore important for the international community to find the means of enforcing a cessation of hostilities on both sides. We can rest assured that unless the Israeli soldiers are released and the rockets—1,500 of which have come over to the Israeli side—are stopped, Israel will carry on defending itself. A cessation of hostilities is needed on both sides, and measures need to be taken to try to prevent this from happening again while we work on the underlying problems in that region, which, increasingly in my view, are directly connected in an arc from Iran right across the middle east.

Mike Gapes (Ilford, South) (Lab/Co-op): My right hon. Friend the Prime Minister referred to the need for an international security presence. He knows that there has been an international presence in Lebanon for many years. Can he clarify the implication of the current proposal? Will any force be under the United Nations? Will it be under chapter VI or chapter VII? How will it be deployed, and under what rules of engagement? Can he also emphasise what is being done to ensure that the conflict is not widened, which is a great danger? He has referred to Syria and Iran and their support for Hezbollah. What is being done by the G8 to ensure that Syria does not get involved and that the conflagration does not widen throughout the whole region?

The Prime Minister: As my hon. Friend rightly implies, we must put every pressure on Syria. In a sense, the most important point is that the conflict has already been widened—that was the purpose of the incursion into northern Israel. It is therefore important to ensure that we now back off the situation. He is right that the United Nations interim force in Lebanon, which is about 1,600 to 1,800 strong, has been there for many years. If we put in a stabilisation force, it must be of a different order of magnitude, with a proper chapter VII resolution and with serious rules of engagement. Those matters will be discussed over the days and no doubt weeks to come, and if there is a better idea I would like to hear it. However, I do not see how we get this stopped and remove the danger of it starting again unless some objective measure is taken, by way of force, to prevent Hezbollah beginning such action again when those behind it decide that it is strategically advantageous to do so.

Mr. Andrew Mackay (Bracknell) (Con): The Prime Minister failed to respond to the Leader of the Opposition's request for an urgent debate on the middle east. Will he now confirm that that debate will take place, because our constituents will not understand if the House rises next week without such a debate?

The Prime Minister: The only reason why I did not do so is that, obviously, that discussion should take place between the usual channels. I hear what the right hon. Gentleman says, however, and I understand its importance.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does my right hon. Friend agree that the most ominous aspect of the current crisis is Iranian and Syrian support for the terrorist organisations, Hezbollah and Hamas, which are both pledged to destroy Israel? Does he agree that it is proportionate for Israel to defend itself against unwarranted aggression from organisations that pledge that country's destruction?

The Prime Minister: Of course it is important for Israel to defend itself, and I am sure my hon. Friend agrees that it should do so in a proportionate way that minimises the dangers of civilian casualties. She is, however, right to say that the root of the problem is support for groups that do not want a peaceful solution to the problems of the region. The tragedy of the situation is that Lebanon has made so much progress

[The Prime Minister]

over the past few years, and now that progress is being put at risk—but it is being put at risk as a result of a deliberate strategy to destabilise the country.

Sir Peter Tapsell (Louth and Horncastle) (Con): During his rather charmingly self-depreciative luncheon conversation with President Bush at St. Petersburg about Syria and sweaters, did the Prime Minister—after he had switched off the microphone—make any attempt to explain to the President that one of the root causes of the spread of chaos in the middle east has been the failure, over 40 years, of successive American Administrations to persuade Israel to accept United Nations resolution 242, which requires it to return to its legal frontiers of 1967? That failure has caused an inevitable degree of bitterness, which has led to the creation and sustaining of various guerrilla militias which are now increasingly regarded as part of an Islamic jihad.

The Prime Minister: If it were merely that the cause of all this was the failure to abide by resolution 242, which we support—but there must be a better explanation for the rejection of the agreement that President Clinton reached with the Israeli Prime Minister at the time, Prime Minister Barak, and the offer that was made to the Palestinian Authority then. There must be a better explanation for what happened with the road map, which provides a perfectly sensible way through this. We had to battle very hard to get America and Israel to agree to the road map, but the defaulting in respect of that was not on the Israeli side. There must be a better explanation as to why it cannot now be agreed on the Palestinian side that if there is to be a two-state solution, that means recognising Israel's right to exist.

I do not say that mistakes have not been made in relation to this, through America, through ourselves, and through others over the years, but I think that the issue is now far more fundamental. The fact is that America would take this forward and deliver a two-state solution for the Palestinian people—I am sure of that—if we could secure the simple acceptance that only through non-violent, democratic negotiation can such a solution be found.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Of course Israel has the right to self-defence against terrorism, but surely what is going on now in Lebanon and Gaza goes far beyond any legitimate self-defence. Must not the world community make it clear that if it is unacceptable, as it obviously is, for Hezbollah and Hamas to fire rockets at civilian targets in Israel, it is also unacceptable for Israel to target civilians and civilian infrastructure in Lebanon? The world must say that clearly, or it will encourage those in Israel and those on the other side of the conflict who want to provoke further action leading to further military conflict on a wider scale throughout the region.

The Prime Minister: I understand my hon. Friend's concern that the reaction of Israel has been disproportionate. It is a difficult situation. We can imagine how it would be in our own democracy if we were faced with such a situation—if our own citizens were being killed through hostile action. Hundreds of thousands of Israelis are now in shelter, having been evacuated from their homes, and their soldiers have been killed in such a brutal way.

I do not want to repeat myself, but there is only one way in which we can change the situation. People can go this way or that in terms of whom they wish to condemn, but, as I know my hon. Friend would accept, this began with an unprovoked attack by Hezbollah on Israel, and I do not think that one can really be surprised at the response.

Mr. Ian Taylor (Esher and Walton) (Con): May I switch the subject to what was a backdrop to the G8 summit—the position of President Putin and his attitude to the use of energy almost as a weapon of diplomacy? Did the Prime Minister have time to talk to President Putin about what is going on in Russia, and about what Russia's ambitions are in the "near area", as he calls it? That is particularly relevant, given that the need for this country to invest in nuclear power is partly due to our need for a sense of assurance about our sources of energy, because of the threat that Russia may one day use our need for energy against us.

The Prime Minister: We did discuss that, and the Russians gave a clear assurance that they would abide by the charter on energy that we drew up and promulgated at the summit. I expressed my view, as I always do, that the only way to make progress in Russia or elsewhere is by adherence to democratic principles. To be fair, the Russian President made it very clear that he understands people's anxieties about security of supply, which was the reason why he felt it right to adopt and agree to the charter that we all signed. The hon. Gentleman is right that one of the reasons why it is so important to have a balanced energy policy is to ensure that we are not too reliant on any one source.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): Does my right hon. Friend agree that the ongoing escalation of violence over the last eight years has continued because of the targeted nature of the Israeli response to the extreme groups within Gaza, Palestine and Lebanon, which deliberately attempts to inflame the situation? The unprecedented response of the Israelis, involving the killing of children and civilians and the targeting of infrastructure, is an attempt to weaken the forces of the Palestinian Authority and the Lebanese army and there is no way that that will support their cause. I support the idea of having an international stabilisation force, not just in Lebanon, but in Gaza and Palestine, in order to cessate the forces that are continually launching attacks on Israel and to secure the necessary protection.

Mr. Speaker: Order. We must have just one supplementary question; otherwise, it is unfair to other hon. Members.

The Prime Minister: I would simply say that I entirely understand my hon. Friend's concern, but the trouble is that, in the end, the purpose of terrorism is to provoke retaliation, which then provokes further bloodshed and misery. That is why we have to go back to the root cause of the terrorism.

Mr. Nicholas Soames (Mid-Sussex) (Con): Would the Prime Minister accept that I strongly believe that it would be a great mistake to try to beef up UNIFIL? Such an international force would have to be very substantial if it were to command the ground; otherwise it would be basebound, in fear of its life against Hezbollah suicide bombers—they saw off MNF-II in 1983 and would do it again. I agree with the Prime Minister's analysis, but I urge him to acknowledge that what matters most is to get the two-state talks going again and fully to engage the United States of America and the European Union together towards that end. After all, it was the Americans and the French who saw off the Syrians. This is not a lost cause and I urge the Prime Minister to proceed with all possible speed.

The Prime Minister: Essentially, I agree with what the hon. Gentleman is saying. I agree in respect of UNIFIL that it would have to be a completely different type of force, but its purpose would be to provide security for the time that it takes for the Lebanese forces to come down. After all, that was what was supposed to happen with resolution 1559: the militias were supposed to be cleared out and the Lebanese forces were supposed to come in. The truth is that that has never happened.

Mr. Elliot Morley (Scunthorpe) (Lab): May I associate myself with my right hon. Friend's remarks on the middle east crisis, which clearly overshadowed the summit, and particularly on the need for a proportionate response? I also thank him for his positive response to the statement from the G8 plus 5 group of legislators organised by GLOBE UK, the Global Legislators' Organisation for a Balanced Environment. I congratulate the Prime Minister on his success in including some of those objectives, such as the need to stabilise greenhouse gas emissions and the need for an inclusive framework, but can he assure me that the other G8 leaders recognise the other aspect of the statement—the urgency of the need to tackle climate change and the question whether Germany will continue that process under its presidency?

The Prime Minister: I thank my hon. Friend for his work in that area. Had it not been for the fact that the middle east so much overshadowed the summit, I would have spent quite a long time on the energy conclusions, which are—as he says—interesting and positive. There is an agreement to take the G8 plus 5 dialogue forward. There is also an agreement to ensure that we have a framework that stabilises greenhouse gas emissions and the US has also signed up to that. Round the table, it was interesting that every single person accepted the urgency of the issue and the need to develop the right framework very quickly to make progress, so that the private sector in particular, but also countries, are incentivised to develop the science and technology necessary to deal with it. Again, I thank my hon. Friend for his input into that.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Prime Minister very fairly said that progress on Africa was modest. With regard to the G8 sanctioning initiatives to fight HIV/AIDS in Africa, when shall we have practical decisions and not just declarations on the Global Fund to Fight AIDS, Tuberculosis and Malaria and the urgently needed programmes to bring education to the 100 million poor children in Africa?

The Prime Minister: Actually, substantial sums of money have been pledged to the global health fund—hundreds of millions, if not several billion dollars. In respect of malaria, a plan is in place and the funding is being built up for it. Education is an important part of the discussion and this country has pledged £8.5 billion over the next 10 years for education in the poorest parts of the world in Africa. Although there is a lot more to do on education, there was a very strong recommitment to the funding and the principles of action that were set out at Gleneagles last year.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Could my right hon. Friend say a little more about his talks on the security of energy supply? He predicts an increase in energy demand of 50 per cent. by 2030, but given that we need to ensure, in our national interests, that we have security of supply, does he think that our energy review has paid sufficient attention to how much energy we will need to produce in our own country?

The Prime Minister: That is a very good point. Although we have pushed this to its furthest extent on renewables, energy efficiency and replacing nuclear power stations, my hon. Friend is right in that we will go from virtual self-sufficiency in oil and gas to 80 to 90 per cent. dependency on imports. A third of our generating capacity will close in the next 15 or 20 years and energy prices are set to rise. But that is the most that we believe we can achieve in this energy review at present. In years to come, people will have to look at how they can drive the process even faster forward.

Mr. David Heathcoat-Amory (Wells) (Con): May I return the Prime Minister to what, in conversation with President Bush, he referred to as "the trade thingy" and, in particular, the serious situation facing the Doha trade liberalisation round? As we do not have our own trade policy in this country, will he talk urgently to Commissioner Mandelson, who does control our trade policy, and ask him to face down the forces of protectionism in Europe and table a more generous offer? The price of failure will not be paid by us or other member states, but by the poorest people in the poorest countries in the world.

The Prime Minister: At the risk of shocking us both, I agree with the right hon. Gentleman on that. I would point out only that the statement made by Commissioner Mandelson was very strong on that point. If a whole series of fresh offers are laid on the table, there will definitely be a battle in many different parts of the world over whether they can be implemented. It is worth pointing out that everything that is on the table at the moment is conditional on everything else being agreed. But if people even did what they have offered now, this trade round would be two or three times more effective than the last trade round. The trouble is that until everything is agreed, nothing is agreed. That is the purpose of the more generous offers.

Mark Durkan (Foyle) (SDLP): As deadly violence again convulses the middle east, is the lesson for that region that peoples will find stability not in being secure against each other, but in being secure with each other, including against terrorism? The Prime Minister has been less elliptical about Syria and Iran: can he also be less elliptical about the proportionality of Israel's offensive response? Can he also be less elliptical about the prospects for trade justice? Does the statement that

> "we remain fully committed to ensuring that in any event it would be utterly wrong for there not to be a full development package for the poorest"

mean that there will definitely be such a package? If so, of what order and in what time scale?

The Prime Minister: I accept the implied rebuke of my syntax. The answer is that I think—it has to be agreed—that there will be, in any event, an agreement on a development package. We have a far better chance of getting a development package if there is an overall agreement on the trade round. My hon. Friend, from the process in which he is engaged, will find it interesting to think that 10 years ago, it looked as though the Palestinian peace process was in better shape than that in Northern Ireland. The lesson of the last 10 years is that, unless people are put into a process that ensures continual dialogue, the danger is that the extremes take over, because there is a political vacuum there.

Sir Patrick Cormack (South Staffordshire) (Con): Accepting entirely the good sense of the G8 statement on the middle east and both what the Prime Minister said today and what the Minister for the Middle East so admirably said yesterday, will the Prime Minister tell the House precisely what the United Kingdom and the United States are doing to bring home this message in Tehran, in Damascus and, on the subject of disproportionality, in Jerusalem?

The Prime Minister: We are doing absolutely everything that we can in the contacts that we have had with the Israeli Government—myself with the Prime Minister—and obviously with the other Governments in the region. In respect of Iran, as well, it is partly, I would say, as a result of the efforts of this country that we can put before Iran, and in a sense flush out a response, a very sensible and generous offer by the international community—plus the offer by the United States of America, for the first time in 20 years, that it would talk directly to the Iranians. All that has come about in part because of the efforts of this country. My belief is that the only ultimate security in that region is the spread of democracy and liberty. When that happens, we will find that, as I am sure would happen if the Iranians were given a proper free election, there would be perfectly sensible people who would govern their country and who would want to live in peace with their neighbours.

Chris Bryant (Rhondda) (Lab): When it comes to the middle east, does not the international community also need to examine its own conscience somewhat? We rightly required Israel to withdraw from southern Lebanon, but then we failed to provide the policing resources to make sure that there was a secure border there. We failed to stand up as an international community to Israeli land grabs and we failed to make sure that Iran and Syria stopped supplying Hezbollah. We failed to provide an honest broker in the international community. Is it not time that we put the United Nations fairly and squarely in the driving seat, rather than messing around with other organisations, and is it not time to make sure that we get a proper policing force not only into southern Lebanon, but into Gaza?

The Prime Minister: What my hon. Friend says is very fair and very right. I was just looking at resolution 1559, passed almost two years ago in September 2004, which said that the UN was:

> "Gravely concerned at the continued presence of armed militias in Lebanon".

It called for

> "the disbanding and disarmament of all Lebanese and non-Lebanese militias",

and supported

> "the extension of the control of the Government of Lebanon over all Lebanese territory".

That was after the withdrawal in the year 2000. He is absolutely right: the fact is that we did not commit significant enough resources to make sure that that was implemented.

Dr. Vincent Cable (Twickenham) (LD): Returning to energy, what confidence can we have in the ability of political leaders to predict that energy prices will continue to rise for the next 25 years, and to base their policies on that, when exactly the same prediction made 25 years ago in response to the last energy shock proved to be comprehensively wrong?

The Prime Minister: I think that what we can say with certainty is that there is no certainty for the future. However—*[Interruption.]* Well, just consider what would happen if the prediction was right, which must at least be a possibility. If we actually had a 50 per cent. increase in demand by 2030, people would look askance at the policy makers today—since we need to provide for the long term—if we failed at least to take the right precautionary measures to make sure that we had a balanced energy supply. That is what I am saying. What is different between the prediction now and that of 30 years ago is that it is now certain that China and India will consume a far larger part of the world's energy supply. What is not certain is the way in which the world might deal with that. The growth of China and India is driving the current situation, and it will continue to do so.

Andrew Mackinlay (Thurrock) (Lab): I welcome the comments that the Prime Minister made a few moments ago about the regime in Iran and the need for democracy there. We should bear in mind his carefully crafted and measured remarks in paragraph 6 of his statement. He drew the House's attention to the fact that Hezbollah is getting weapons from Iran. He also said that by an amazing coincidence, the same weapons are being used against our troops in Basra. He needs to amplify that point. Does he agree that although we recognise the delicate nature of the situation and its gravity, some of us feel that we have been too soft on

Iran and have not said what we mean, and meant what we say, and accused it of being the arch-exporter of terrorism?

The Prime Minister: My hon. Friend is right that there is no doubt at all that it is supporting terrorist activity around the region, which is precisely one of the reasons why people are extremely alarmed by the prospect of a nuclear Iran. I have heard several people say in the past few days that if Iran is prepared to encourage and support action that destabilises a region such as Lebanon, think how much more dangerous it would be if we had Iran with a nuclear weapon.

Mr. John Redwood (Wokingham) (Con): What action is the United Nations immediately taking to try to get parties around the table to bring this awful violence to an end in the middle east? Is its plan to exclude or include representatives of the terrorist groups in such talks?

The Prime Minister: The UN envoys are out in the region now. I am not answering questions for them, and to whom they talk is up to them, but I would imagine that they would talk to representatives of everyone there, including Hezbollah. However the parties come around the table, it is perfectly obvious that the only solution is to rewind the things that have happened, including by ensuring that the soldiers are released and the rocket attacks are stopped. Rocket and mortar attacks of more than 1,500 or 1,600 represent a substantial bombardment on any basis.

Harry Cohen (Leyton and Wanstead) (Lab): While I agree with much of what the Prime Minister says, especially about the release of the Israeli soldiers and an end to all attacks on civilians, does he understand that given the history of bloody-mindedness on both sides in the middle east and our own heavy commitments in Iraq and Afghanistan, there is no public support in this country for this country to be involved in any extended conflict with Iran and Syria?

The Prime Minister: My hon. Friend said that he agreed with much of what I said, which I shall accept gratefully. No one wants conflict with Iran or Syria. The problem is raised in a very acute way by the offer that has been made by the European Three—France, Germany and the UK—and America, Russia and China. We have put forward an offer to Iran that essentially protects its ability to develop civil nuclear power but restrains its ability to develop a nuclear weapon. The offer is on the table. It could talk to America and the whole of the relationship could be changed. The problem is that I remember being told time after time, "If only we got America to talk to us, things would be different," but it is done, and then things are not different. At some point one must ask whether there is sincerity on Iran's part or not. There is no plan whatever to take such action against Iran. I am willing to consider any form of diplomacy that brings about a change, but if there is not some give on the Iranian part at some point, we are left with some fairly stark choices.

Mr. Edward Vaizey (Wantage) (Con): Could the Prime Minister develop his answer to that question and to the question by the hon. Member for Thurrock (Andrew Mackinlay)? He said that he had spoken to many people at the G8, pointing out how dangerous, given Iran's actions in support of Hezbollah, a nuclear Iran would be. Did he detect at the G8 summit greater resolution on the part of all his colleagues on the international stage to bring Iran to the table and force a resolution to that nuclear crisis?

The Prime Minister: I did notice that. The fact that the G8 statement was agreed, albeit in elliptical terms, made it clear that we were sure about where this began. That was an important step forward in itself. As for Iran, time and again it must be reminded of the fact that the world has no aggressive intent towards it, but if it exports aggression, it is very hard for us not to confront that reality. Underneath it is the wider issue that I have talked about, but the fact that the G8 statement was agreed and that the G8 plus 5 in effect endorsed it was significant.

Tony Lloyd (Manchester, Central) (Lab): I wonder whether my right hon. Friend would agree that if there is to be long-term stability in the middle east, something that must change is the position of Lebanon. That state has been enfeebled by its neighbours, Syria and Israel, for their own misguided purposes, which prevents a long-term solution. What can be done to strengthen the Government in Beirut to make sure that Lebanon can deal with the problem of Hezbollah?

The Prime Minister: The point that my right hon. Friend is making is exactly the reason for resolution 1559. The only way, in the end, in which a state makes sure that it is in charge is for it to be in charge of force within the country. The problem is that Hezbollah militias are a constant thorn in the side of Lebanon, preventing that situation from being realised, which is why the resolution was passed. This time, we must make sure that it is implemented.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Prime Minister has made some unequivocal statements this afternoon about Syria. Is he contemplating the recall of our ambassador to London for consultation, and will he use his much improved relations with the regime in Libya to urge Colonel Gaddafi to use his influence on Hezbollah to rein in its forces?

The Prime Minister: We have no plans to recall our ambassador, but yes, we are using our relationships with all the different Arab countries to make sure that pressure is put on Syria and Iran. It was interesting to see the statements that emanated from Saudi Arabia, Jordan and other countries, including, I think, Egypt, as they were surprisingly firm in their intent towards what those two countries are doing.

Tom Levitt (High Peak) (Lab): There is no doubt that the present crisis started with the illegal kidnap of one Israeli soldier, but many Members on both sides of the House believe that the Israeli response, which took out electric and water supplies for tens of thousands of people in Gaza, was an act of disproportionality that led events to spiral out of control. The Palestinian

[Tom Levitt]

Authority is not in a position readily to restore those services, so can my right hon. Friend talk to President Abbas about ways in which we could help to restore electricity and water supplies, as their absence endangers the health and lives of many thousands of people? Can we redouble our political commitment to ensure that those supplies are never destroyed again?

The Prime Minister: Of course, we put a big reconstruction effort into the Palestinian Authority. My hon. Friend is right to say that it is terrible when infrastructure is destroyed in that way. The problem in the end is that when the disengagement from Gaza took place, my idea—others had it too—was that the international community would move in behind a Palestinian Authority that was growing in effectiveness, with increasing control over its own security forces, thus creating the conditions in which private investment could be made. Indeed, a series of people were lined up, waiting to go in and invest. It is not what happened. Once the immediate situation calms, we must go back and work out with the Palestinian Authority a proper plan that allows that Authority to take charge of its own destiny. Rather as with Lebanon but on a much greater scale, there are people who are operating outside the proper control of the authority, whose purpose is often to disrupt the very progress that we want to make.

Tony Baldry (Banbury) (Con): The Prime Minister said that there would be a review of progress on Africa at the G8 summit in 2007. Can we make it clear to our G8 colleagues that the test of progress in 2007 is the extent to which G8 members have delivered on the promises that they made at Gleneagles in 2005? Unless we hold to that process, the danger is that after the modest indications at this summit, Africa will slip off the agenda altogether?

The Prime Minister: Obviously that is a danger, but I do not think it will happen. Germany has made it clear that for next year's summit Africa will be a major topic, and Germany will review the progress again. We will set out the milestones for the next year. There is sufficient strength in civic society for us to keep people up to the mark, and we intend to use all our efforts to do so.

Several hon. Members *rose*—

Mr. Speaker: Order. I can call all the Members standing, but they must be brief.

Mr. Gordon Prentice (Pendle) (Lab): I will be brief. Twenty years after Chernobyl, was there any discussion of the report of the nuclear safety and security group, and what conclusions did the leaders reach?

The Prime Minister: Yes, in the conclusions there is discussion about nuclear safety and what can be done in relation to it. It was agreed that we need to co-operate not just on safety, but on the decommissioning of nuclear waste and the development of the new generation of nuclear power stations.

Dr. Julian Lewis (New Forest, East) (Con): Given that much sympathy has been expressed for the Government of Lebanon as being helpless to control Hezbollah, does the Prime Minister have any indication that the Government of Lebanon have asked for assistance from the international community to help them to do so?

The Prime Minister: I have spoken to the Prime Minister of Lebanon. I think Lebanon is looking for international help. The precise way in which that is used and the implications for its own armed forces are matters for debate. I believe the Prime Minister of Lebanon wants to do the right thing. The people around him are desperate for some stability in their country and they feel very angry that they are caught in the present situation. We should be helping them in any way we can.

Mr. David Anderson (Blaydon) (Lab): I welcome the news about the education for Africa initiative. On the middle east, we learned yesterday that the intention of Israel is to create an unmanned buffer zone in southern Lebanon. Will that do anything other than bring more problems to that region? Will my right hon. Friend please make a case for not doing that?

The Prime Minister: My hon. Friend's comments underline the need at least to debate seriously the idea of an international force there.

Mr. Graham Stuart (Beverley and Holderness) (Con): Members across the House will welcome the report from the Prime Minister that the G8 recognise the need for a goal to help stabilise climate change emissions. Can the Prime Minister give us some idea when he hopes that will be concluded—he mentioned that progress would go ahead in Mexico—and what type of goal he would like to see?

The Prime Minister: The goal should be a stabilisation of the world's climate and temperature. I do not know how far the G8 plus 5 dialogue in Mexico will move us forward, but there is now agreement in principle that such a framework should be developed.

Richard Burden (Birmingham, Northfield) (Lab): I agree with my right hon. Friend that there is neither excuse nor justification for rocket attacks, whether on Ashkelon or Haifa, but I find his comment that Israel has not defaulted on its road map obligations astonishing. Surely he is aware that long before Hamas was elected, and while Hamas was on ceasefire for the best part of a year, Israel was building a wall in Palestinian territory and expanding illegal settlements. What is that, if not defaulting on its road map obligations?

The Prime Minister: I understand exactly why my hon. Friend says that, but the whole purpose of the road map was to create a series of mutual obligations. On settlements, he is absolutely right and we have made our position clear on them all the time. In the end, settlements can be a block to the eventual resolution of this dispute. But the reason why we were not on the road map was that people kept coming in—into the territory of Israel—and killing innocent Israeli civilians. So what I say to my hon. Friend, as I would say to others, is that the only way that this situation will be unwound is by getting back to the mutual obligations that exist for both sides in the road map.

Mark Pritchard (The Wrekin) (Con): Some moments ago, the Prime Minister said, "We are doing everything we can." Has he had a personal conversation with President Assad of Syria, and if not, why not, given that the Government are doing everything they can?

The Prime Minister: I am not sure that a personal conversation between me and President Assad will do a great deal of good, if I may respectfully say so. I think that Syria knows perfectly well what is required of it, and the only question is whether it wants to do it.

Jeremy Corbyn (Islington, North) (Lab): We all obviously regret all the violence that is taking place in the region. The Prime Minister conceded that the Israeli actions in Lebanon and Gaza were disproportionate; if Israel carries on destroying the airport, roads, water supplies, electricity plant and a lot of civilian infrastructure—and killing civilians fleeing for their lives—what sanctions does he think should be applied against Israel to persuade it to desist from the expansionist intentions that it seems to be pursuing?

The Prime Minister: The only way to stop what I want to see stopped—the killing of innocent civilians—is through the process that we describe in our statement. Honestly, that is the only realistic way that we will do that.

Points of Order

4.36 pm

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr. Speaker. Outside the Palace of Westminster today there is a large delegation of my constituents, who have come to demonstrate their opposition to the closure of the Hemel Hempstead hospital. The temperature outside is more than 100 degrees, and with Westminster Hall closed there are few facilities within the Palace to allow them to come in from the excessive heat. Until the new visitor centre is open, can you advise me, Mr. Speaker, on how we can accommodate visitors to the Palace, such as my constituents, which is surely what we all want to do?

Mr. Speaker: Sorry, I did not pick up the hon. Gentleman's last point; I was being advised. I believe that he was asking about visitors; did he mention the visitor centre?

Mike Penning: Thank you, Mr. Speaker. What I am trying to say is that until the visitor centre is complete, and with Westminster Hall completely out of action, what facilities are there for our constituents when they come to Parliament to perform their democratic right of lobbying this House against things that they are not happy about?

Mr. Speaker: I am afraid that we have a difficulty in that respect. The hon. Gentleman realises that the great hall of Westminster is like a building site. I visited it last week, and things are difficult for visitors at present.

The hon. Gentleman mentioned people who are demonstrating outside. They have the democratic right to come to Parliament and express their concerns to Members. The temperatures outside are exceptional; I have never experienced such temperatures in the 27 years that I have been coming to London every week—it was exceptionally warm when I was out at 8 o'clock this morning. I will ask the Serjeant at Arms to look into the possibility of at least making available water facilities—bottled water or cool water, perhaps—because it is unreasonable to expect people to stand in such heat. I will instruct the Serjeant at Arms to see what we can do, at the very least to find water for visitors.

Michael Gove (Surrey Heath) (Con): On a point of order, Mr. Speaker. In a written statement issued today, the Minister for Housing and Planning made it clear that home condition reports—the central part of the Government's proposed home information packs—will be withdrawn; they will no longer be made mandatory. A flagship element of the Government's Housing Act 2004 has been scuttled by Ministers, and yet the Minister concerned has not come to the Dispatch Box to explain why she has retreated under fire. Is that not a gross discourtesy to the House?

Mr. Speaker: The good news is that that will be debated tomorrow.

Mr. Graham Stuart (Beverley and Holderness) (Con): On a point of order, Mr. Speaker. You may recall that yesterday the Minister with responsibility for the police accused me of misleading my constituents on the subject of the cost of police mergers. Can you advise me on how I might reverse that outrageous slur made in this House?

Mr. Speaker: I was present then, and the Minister concerned did refer to the hon. Gentleman's misleading his constituents outside Parliament. My problem is that I have enough to do here in Parliament, without worrying about the hon. Gentleman's constituency. I am sure that he will find a way to put the record right. The Minister concerned is a reasonable person and he will—*[Interruption.]* He is very reasonable. He comes from good Donegal stock, and he will listen to what the hon. Gentleman has to say.

Food Labelling

4.40 pm

Mr. David Amess (Southend, West) (Con): I beg to move,

That leave be given to bring in a Bill to introduce a uniform system for the labelling of food and drinks retailed in England and Wales to show the quantity of salt, sugar and fats they contain; and for connected purposes.

The Department of Health survey for England revealed that incidents of obesity have more than trebled in the past 20 years. For adults, that represents a rise of between 14 and 16 per cent., based on body mass index calculations for obesity. The rising obesity figures for children revealed by the survey for that period are even more alarming. While there was little change between 1974 and 1984, between 1984 and 1994 the prevalence of obesity increased to 1.7 per cent. of boys and 2.6 per cent. of girls. By 2002, those figures had risen to the extent that 5.5 per cent. of boys and 7.2 per cent. of girls in England aged two to 15 years were categorised as obese.

Projecting these figures forward 15 years—assuming that incidents of obesity continue to increase steadily—it is shockingly estimated that one third of adults in England will be obese by 2020. A Royal College of Physicians report estimates that, if the rapid acceleration in childhood obesity that we have witnessed continues, incidence of obesity in children could rise above 50 per cent. by 2020.

I could go on with these statistics, but bemoaning the state that we have got ourselves into will not bring about change and reverse the damage already done. That is why I am presenting this Bill, which seeks to provide just one measure that might help consumers in Britain to make healthier choices about the foods that they buy in a market flooded with pre-packaged, mass-produced foods with long lists of complex ingredients. A single format for simplified front-of-package nutrition information—giving the amounts of salt, sugar and fat contained in the product, combined with an interpretive element such as colour coding—would certainly bring about a positive change in the way that we shop and eat. Moreover, if such a scheme is not taken up voluntarily by the food manufacturing and retail industries, the Government ought to make provision to ensure that standards are enforceable.

As the hon. Member for Lewisham, West (Jim Dowd) said in his splendid Adjournment debate last week, the Health Select Committee's inquiry into obesity, which reported in May 2004, is indeed its "magnum opus". The report highlighted the growing prevalence of obesity in the UK and its effect on people's health, and the consequent impact on the health service of increasing incidence of weight-related illnesses such as heart disease and type-2 diabetes. The Committee estimated that the associated costs are between £3.3 billion and £3.7 billion a year, and this figure will continue to rise unless urgent steps are taken.

Nutrition-based advice pertaining to the calorie or fat content in foods can often be misleading. For example, a product advertised as 90 per cent. fat-free still contains 10 per cent. fat and could still be high in calories and salt. Such promotional information prevents consumers from making the informed decisions that I know the Minister with responsibility for these matters wants them to be able to make. A more transparent and yet still simplified system of nutrition labelling would allow busy shoppers to make quick and informed decisions about the foods that they buy, and enable them to make comparisons with other products and brands.

The Food Standards Agency action plan on food promotions and children's diets and the public health White Paper "Choosing Health" endorse the voluntary scheme for giving simplified nutrition information on the front of packaged foods. More than 2,600 consumers were surveyed in June 2005 in one-to-one interviews to test responses to and the general understanding of possible nutrition information formats. The two models that emerged on top were the multiple traffic-light system and colour-coded guideline daily amounts. It appears that the success of those two formats lies in the combination of colour coding and numerical information that makes them both accessible and informative to the busy consumer. It appears that 96 per cent. of the people surveyed thought that simplified packaging would enable them to have better health choices. Ninety per cent. were able correctly to use the traffic-light format to identify the levels of sugar, fat and salt in the products. That is compared with only 69 per cent. for colour coded guideline daily amounts.

In support of those findings, in the National Consumer Council snap shot survey consumers cited front-of-pack signpost labelling as one of the top three easy methods, alongside healthier school meals, that would help people eat more healthily and would help companies to cut down on salt, sugar and fat in processed foods.

Furthermore, there is research such as that undertaken by the consumer magazine, *Which?*, which I applaud. It shows that a multiple traffic-light labelling format was the preferred option for the majority of consumers and the most easily accessible system for low-income people and those from minority ethnic backgrounds.

There is an inherent danger in labelling some foods as being healthy, with other foods in contrast being regarded as unhealthy. That gives a wrong impression. Recommendation 23 of the Health Select Committee's report stated that the Government must accept that some foods that are extremely energy dense should be eaten in moderation by most people. It therefore recommends that legislation should be introduced to introduce a traffic-light system for labelling foods either red for high energy density, amber for medium energy density or green for low energy density, according to criteria devised by the FSA.

Recommendation 24 says that although several interventions for better food nutrition labelling have been made, the traffic-light system stands up to objective assessment, and if accepted widely across the industry would be a good measure of the impact of shifts in consumption across supermarkets and brands from relatively unhealthy to healthier food products.

I regret that a number of companies seem not to support that recommendation, in contrast to leading supermarkets such as Sainsbury's and Waitrose. All Members have received a letter from Danone,

[Mr. David Amess]

Kellogg's, Kraft, Nestlé and PepsiCo, which want to go for the guideline daily amounts information labelling. I think that they are wrong in that regard and I wonder why they are taking that stance. Their approach is in contrast to the Health Select Committee report, the Government's recommendation and the FSA's report. The FSA believes that a consistent approach to food labelling will make it easier for consumers to eat more healthily and encourage consumers to look for and demand healthier food products, and incentivise businesses to produce foods that are lower in salt, sugar and fat content. I regret, for instance, that Tesco has gone ahead and done its own thing, which I believe is not in the public interest. I applaud the way in which Sainsbury's supermarkets have introduced their own multiple traffic-light scheme, or wheel of health, which works on the principle of the FSA guidelines. Those symbols are now printed on the front packaging of more than 2,100 Sainsbury products, including and expanding on the recommendation list of items included by the FSA. Research that has been undertaken by Sainsbury's found that the wheel of health had influenced the purchasing decisions of consumers.

Regulations on food labelling standards are currently set at a European level. The proliferation of different formats of simplified nutrition labels is a concern for consumers and the food manufacturers and retail industries alike. On 12 July the European consumers organisation presented the European Commission with the conclusions of a multi-stakeholder discussion group that included representatives from national Governments, industry, retailers and academics. I certainly support those conclusions.

The FSA, supported by the National Consumers Council, *Which?* and the Health Committee, recommends that industry-wide adoption of the single front-of-pack signposting scheme should be voluntary, but it would be in favour of mandatory take-up should this initial approach fail. Should a voluntary scheme fail to find unanimity among retailers and manufacturers, I urge the Government to step in to ensure an end to consumer confusion over nutrition labelling. I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Mr. David Amess, Dr. Richard Taylor, Mr. Ronnie Campbell, Sandra Gidley, Dr. Howard Stoate, Bob Russell, Jim Dowd, Charlotte Atkins, David Taylor, Mike Penning, Jeremy Corbyn and Dr. Doug Naysmith.

FOOD LABELLING

Mr. David Amess accordingly presented a Bill to introduce a uniform system for the labelling of food and drinks retailed in England and Wales to show the quantity of salt, sugar and fats they contain; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 20 October, and to be printed [Bill 216].

HEALTH BILL (PROGRAMME) (NO. 3)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6) (programme motions),

That the following provisions shall apply to the Health Bill for the purpose of supplementing the Orders of 29th November 2005 and 14th February 2006 (Health Bill (Programme) and Health Bill (Programme) (No. 2)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement at this day's sitting.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question being put.

3. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*[Mr. Alan Campbell.]*

Question agreed to.

Orders of the Day

Health Bill

Lords amendments considered.—[Queen's Consent, on behalf of the Crown, signified.]

Clause 3

SMOKE-FREE PREMISES: EXEMPTIONS

Lords amendment: No. 1

Mr. Deputy Speaker (Sir Alan Haselhurst): With this we may discuss Lords amendments Nos. 2 to 12 and 36.

4.51 pm

The Minister of State, Department of Health (Caroline Flint): I beg to move, That the House agrees with the Lords in the said amendment.

I thank their lordships, particularly my noble Friend Lord Warner, for their hard work on the Bill since it left this House. The modest changes before us now, which are the result of the constructive and collaborative approach taken in the other place, have improved the Bill, and I am therefore delighted to be able to accept all the Lords amendments today.

The legislation shifts the balance significantly in favour of smoke-free environments. Virtually all enclosed public places and workplaces will be completely smoke free by summer 2007. It will introduce new laws to enforce higher hygiene standards in the NHS and clearly strengthen clinical governance arrangements in light of the findings of the Shipman inquiry. Those are three important health manifesto commitments.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend refers to the summer of next year. Could she be a little more specific? An appropriate day would be 31 May, as the Minister is aware. Is that a day that finds favour with her?

Caroline Flint: I will not commit to any particular date at this stage, but we are having discussions with stakeholders about the countdown to the introduction of the legislation, and I hope to report back on the exact date in the autumn. We are working on that at the moment. As I have said previously, we felt that a date in the warmer weather might be more conducive to a ready compliance with the legislation, as and when it comes into effect.

Steve Webb (Northavon) (LD): I am in close contact with my local authority, South Gloucestershire, which is a great enthusiast for the smoking ban, but is also anxious that it will have inadequate notice of when everything will happen, so it would like a definite date as soon as possible. It also wants to know that it will have the resources to enforce the ban. Can the Minister assure us that local authorities will not be finding money out of their already very cash-strapped coffers to subsidise the enforcement of the ban?

Caroline Flint: Officials are already meeting representatives of the Local Government Association and there are others who have asked some questions about the planning for next year. We will clearly try to commit to a date as soon as possible. We are also having discussions about a range of other issues, including enforcement, and the Bill provides for the need to finance and support local enforcement. It has been incredibly encouraging to learn from both the Irish and the Scottish experience and from my recent visit to New York, that on one level little punitive enforcement has been necessary, although there will clearly be issues for those working in this area, and that will be part of our discussions in the months ahead.

Dr. Andrew Murrison (Westbury) (Con): I am grateful to the Minister for yesterday's publication of the draft regulations. The trade is concerned whether it will have sufficient time to make the necessary adaptations. Will she assure the House that the definitive regulations will have a sufficient lead-in time, so that small businesses can make the necessary adaptations without suffering competitive disadvantage?

Caroline Flint: I hope to ensure that we get the regulations right. The regulations that we published yesterday are the result of considerable discussions with many different stakeholders. Obviously, issues will arise in the consultation, but we hope that the regulations give clear guidance to small and medium-sized organisations on how best to meet the requirements of the legislation.

I remind the House that the experience of how the law is enforced and how businesses have applied the legislation in Ireland and Scotland will help us in England and Wales. The latest information from Scotland indicates that sales have not gone down as a consequence of smoke-free legislation.

David Taylor: I have read the draft regulations, which are a fair stab at creating a workable set of regulations to move the legislation forward. The consultation will finish towards the end of the summer recess, on 2 October. Will the Minister say whether she would consider suggestions that might arise very soon after Parliament reconvenes on 9 October, if a debate were sought from Mr. Speaker? Will she give such an assurance at this stage?

Caroline Flint: Obviously, I cannot control parliamentary time, but I am happy to provide all hon. Members with an indication of how the discussions proceeded in the consultation. There is a wonderful opportunity for hon. Members and local groups and organisations to participate in both a health opportunity and the countdown to smoke-free England in 2007, which I hope will have a fun element.

This group of amendments includes all the changes to the smoke-free provisions made in the other place. Amendments Nos. 1, 5 and 10 are all minor drafting amendments. Amendment No. 1 corrects a minor drafting inaccuracy—strictly speaking, licensees do not authorise the consumption of alcohol; they authorise the sale of alcohol for consumption. Amendments Nos. 5 and 10 were introduced by Earl Howe, who felt that the clarity of the drafting could be improved. We

[Caroline Flint]

saw no reason to object to his suggested wording in the other place, and we are equally happy to support it here.

Amendments Nos. 2, 3, 7, 8, 9 and 11 relate to exemptions in regulations for those participating as performers in a performance in which artistic integrity makes it appropriate for performers to smoke. In Committee, I provided reassurances that the Government were minded to make an exemption for artistic performances, but the detail, as with all proposed exemptions, is a matter for the regulations.

During the Bill's passage through the other place, we realised that it would not be possible to rely on the general power in clause 3(1) to make such an exemption in all circumstances. The prohibition on making any exemptions for licensed premises in clause 3(3), which was introduced following a free vote on Report, would have prevented any exemptions for artistic performances in licensed premises. As we are aware, many theatres and other performance spaces carry out their activities under only one licence, which is likely to cover not only the whole of the premises, but alcohol sales and theatrical performances. In those circumstances, we realised that the prohibition in subsection (3) came into play—in other words, it would be unlawful to make an exemption.

We introduced amendment No. 2 in the other place in order to relax that prohibition so far as is necessary to allow certain performers to smoke during a performance in all possible venues. The amendment also ensures that the exemption can be applied only to the relevant performer or performers. Of course, the detail of the exemption will still be a matter for regulations. The consultation on the draft regulations that was launched yesterday specifically asked for views on the exemption proposed for performers, particularly concerning whether the arrangements are adequate to prevent the development of loopholes.

5 pm

David Taylor: This morning, the all-party group on smoking and health, which I have the privilege of chairing, discussed this aspect of the regulations and sought assurances on whether the exclusion would refer to rehearsals of the performance as opposed to the performance itself. Can the Minister reassure us on that particular point?

Caroline Flint: Through amendment No. 3, we have left the door open on exempting rehearsals, as we are still yet to be persuaded. We must not forget that any exemption is for the performer, not the premises, and that the smoker will be facilitated only when it is integral to the plot or storyline. We must be clear that this exemption is not about allowing certain people to smoke freely. From a purely practical point of view, we must ask whether it would be sensible or practical to light up and stub out cigarettes each time the rehearsal of a performance stops and starts. We will seek to clarify that through the consultation. As I said, I have taken note of the experience not only of Ireland and Scotland but of New York and California, which have exemptions in these artistic areas.

Mr. Greg Knight (East Yorkshire) (Con): The Minister kindly said that she would contact every Member in respect of this matter, so I presume that she is thinking of writing to us all. When she does so, will she include in that letter her conclusions on the issue of rehearsals following her assessment of any further representations that she may receive?

Caroline Flint: I should like to be able to give a clear indication of the Government's point of view following the consultation, and I will seek to make that as clear as possible for Members through a letter or some other appropriate medium.

Amendments Nos. 7, 8, 9 and 11 are consequential amendments.

On amendment No. 4, there was some concern in the other place that the power in clause 4 to make additional places smoke free was rather broad and could be used to make all sorts of places smoke free even where there was no significant risk of exposure to second-hand smoke. Given that we have consistently made it clear that we will use this power only to protect people where there is a significant risk of exposure to second-hand smoke, we had no objections to amendment No. 4, which raised the threshold for its use under the Bill. The amendment means that it would only be possible to make an additional place smoke free where "in the authority's opinion"—that of the Secretary of State in England and the National Assembly in Wales—

> "there is a significant risk that, without a designation, persons present there, would be exposed to significant quantities of smoke."

That wording makes it clear that the power cannot be used in cases where exposure to second-hand smoke is unlikely or very limited.

Amendment No. 36 makes any regulations to make vehicles smoke free under clause 5 subject to the affirmative resolution procedure. That issue was raised in Committee, where I said that I would be inclined to think about it. The Government tabled the amendment following the recommendation made by the Delegated Powers and Regulatory Reform Committee, which noted that the power in clause 5 could potentially be used to make private vehicles smoke free. Although we have absolutely no intention of using the power in that way, the amendment provides further reassurance, as no regulations under the clause can now be made without the prior agreement of Parliament.

On amendment No. 12, I pay tribute to my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) for championing this cause and to the right hon. Member for North-West Hampshire (Sir George Young) for doing likewise. Hon. Members may recall that clause 30 was introduced on Report in the Commons, with cross-party support. It gives the Secretary of State the power to raise the minimum age for sales of tobacco products through secondary legislation by the affirmative resolution procedure. When introduced, it specified that the age limit could be changed only to an age not lower than 16 but did not specify an upper age limit.

Concern was expressed in the other place that the clause could allow the minimum legal age for sales of tobacco products to be raised to 21. Although that has never been our intention, we were happy to table amendment No. 12, which specifies that the minimum age for sales of tobacco products cannot be higher than 18. I am sure that hon. Members know that public consultation on whether to use the power is under way.

All the amendments in the group have improved the Bill and I commend them to hon. Members.

Dr. Murrison: The Minister must be approaching the last hour of consideration of the Health Bill with much relief. Its passage has occasionally been rocky, but I am happy to say that the rocks have been mostly on the Government side. We recall the present Home Secretary's seminal contribution to the public health debate when he identified smoking as one of the few working-class pleasures, the subsequent discomfiture of the Secretary of State for Health and her handbrake turns on food and non-food pubs and private members' clubs. However, on a consensual note, we are pleased with the Lords amendments and also pleased that the Minister is happy with them. We will not resist them.

We note yesterday's publication of the draft regulations for smoke-free premises and vehicles, in the nick of time for today's debate, and the incorporation of much good sense, which emerged during the Bill's passage. Much of the latter relates to small matters, such as provision for specialist tobacconists and research and testing facilities. They may be small but they are significant for those who will be affected by the Bill, and we welcome the provision for them.

However, we remain concerned about the lack of attention paid earlier to enforcement costs, as evidenced by the invitation in the draft regulations to comment on likely costs to enforcement authorities. That has already been mentioned. To work, the Bill needs enforcement, not simply encouragement. Clearly, little provision has been made for how that might be done. That is regrettable.

The licensed trade has asked for as much notice as possible of the definitive regulations. That is fair and reasonable. I note that the consultation ends on 9 October and hope to revert to what may follow when we discuss amendment No. 37.

The British Beer and Pub Association has asked for regulations that are easy to understand and simple to apply. The draft regulations are perhaps less monstrous than many but, as ever, the detail contains the potential trip wires. I note the section on signage in the regulations and wonder how we can make such a simple matter—which surely requires little more than the international no-smoking symbol—so complicated.

Amendments Nos. 2, 3, 6, 7, 8, 9 and 11 deal with smoking and the performing arts. They could properly be called the "Howe amendments" because my noble Friend Earl Howe is largely responsible for them. I hope that they will ensure that "Carmen", the plays of Noel Coward, Simon Gray, John Osborne and most of Ibsen do not have to be rescripted. They are welcome.

Amendment No. 4 would introduce the test of significant exposure to second-hand smoke. The Minister spoke a little about that but I believe that it is an important amendment. Without it, appropriate national authorities could ban smoking in public in almost any circumstances. I therefore welcome the amendment. It is self-evidently wrong to ban an activity if the relevant substance is not significant. With a sensible understanding of "enclosed" and "substantially enclosed"—which, we hope, will emerge from the draft regulations—the amendment should resolve, for example, the bus stop dilemma that we discussed in Standing Committee.

We should note that our understanding of "significant" may alter with time as our appreciation of the health effects of second-hand smoke evolves. Sir Richard Peto's evidence to the House of Lords Economic Affairs Committee is germane to that.

We are indebted to my right hon. Friend the Member for North-West Hampshire (Sir George Young) and the hon. Member for Barnsley, East and Mexborough (Jeff Ennis) for amendment No. 12, which deals with raising the age for the sale of tobacco. In Committee, they were trenchant supporters of the sensible proposal to raise the age to 18. We await the outcome of the consultation on that with great interest. We cannot raise the age beyond 21 as such a move is proscribed by existing legislation, but I was reassured to hear that the Minister would not wish to do so in any case. That we might have the potential to do so is something of an historical anomaly. We are pleased that the amendment would enable us to raise the age to 18 and no further. That is clearly the correct provision for the 21st century.

Amendment No. 36 will have the effect of ensuring that regulations applying to smoke-free vehicles must be made under the affirmative resolution procedure. Given the scope for confusion implicit in clause 5, that seems very wise. We still face the conundrum of the long-distance lorry driver, for example. He might use his cab to sleep in at night, but the lorry might occasionally be used by someone else. There is an element of confusion about whether he would be able to smoke in the vehicle, and that needs to be clarified. Bringing the measure before the House under the affirmative resolution procedure will give us the opportunity to explore the issue further.

Another example that is relevant at this time of year involves farmers in their tractors. Most people would regard a tractor as a fairly well-ventilated vehicle, but under the measure, the farmer would not be able to smoke in it because of the possibility that someone else might use it subsequently. That seems to cut across the sensible notion of significance introduced in amendment No. 4, which we very much welcome. I would be interested to hear how the Minister reconciles the two approaches.

Steve Webb: The principal amendments in this group that I want to discuss are amendment No. 2 and the related ones that deal with smoking in performances and rehearsals. I was astonished to learn that their lordships were attempting to table amendments to cover theatrical performances and rehearsals. My initial reaction was to ask why the actors could not just act. That would surely be a better response. There would be no problem with someone holding a cigarette or having a pipe in their mouth—that is not prohibited by the Bill—as long as there was no smoke coming out of them.

There was a suggestion in the other place that Churchill could no longer be depicted on stage because he would not be able to have a cigar between his fingers, which would be nonsense, or that Harold

[Steve Webb]

Wilson could not be shown because his pipe would be banned. That would be nonsense as well. Surely the whole point of acting is to create an illusion. We do not actually need to see smoke physically coming out of the pipes or cigars. There was also a discussion about whether non-carcinogenic herbal cigarettes could be used instead, as they produce smoke that would not be so bad for people. However, that possibility appears to have been ruled out as well.

I cannot see why we need this exemption at all. I notice that amendment No. 2 talks about "artistic integrity". If I were to go to see a play, and I saw an actor smoking in circumstances that I did not deem necessary to the plot, could I go to the licensing authority or the relevant local authority to protest? Would that authority have a panel of people who had been trained to judge whether the artistic integrity of the play would have been impeded by the presence or absence of a cigarette? It is nonsense to set people up in bureaucratic structures to judge whether in a particular case it was, as young actresses say, necessary to the plot.

I am reassured that the Minister seems minded not to allow an exemption for rehearsals; otherwise, we could end up in the extraordinary situation in which smoking was permitted—although only by those characters for whom the integrity of the plot required it—until the moment at which the director shouted, "Cut!" At that point, all the cigarettes would quickly have to be stamped out. No one working on the set would be allowed to smoke, but they would be allowed to inhale the smoke from the actor who had just been performing. No one would be able to smoke during the break, but they would be able to breathe in the actor's smoke once the rehearsal started again. Those working on the set would be able to breathe in smoke, but only if it was someone else's.

One of the beauties of the legislation is that, in most cases, there is no room for doubt. It is clear cut. We are not going to talk about the distance from the bar or about rooms with ventilation. The Minister's argument throughout was for a comprehensive ban with as few exemptions as possible so that people would know where they stood and self-enforcement would be easier. Yet here we are with this peculiar luvvies' amendment. I wonder what is behind it.

5.15 pm

David Taylor: I said a moment ago that I thought that this was a pretty fair stab at a set of regulations. Does the hon. Gentleman agree, however, that there are areas that might be further improved, not least those relating to sports stadiums and railway stations, many of which are not yet within the remit of the regulations, even though substantial numbers of people have a significant risk of being exposed to large amounts of smoke in those places?

Steve Webb: I certainly agree that there are still some grey areas, and my point about this artistic integrity exemption is that it creates more grey areas. I have stood—that shows how long ago it was—at football matches and been absolutely choked by cigarette smoke, albeit only for 90 minutes, so one would have to make a judgment about the long-term harm that it was doing to me. What we need above all is clarity. People need to know where they stand, and what is lawful and what is not. My worry about these amendments is that we are introducing new loopholes and ambiguities, and all because of something that could be perfectly well avoided by other means.

Dr. Murrison: How does the hon. Gentleman reconcile his philistine attitude towards these amendments with his party's liberal attitude to the smoking of cannabis?

Steve Webb: No discussion on the Health Bill would be complete with the hon. Gentleman trying to bring cannabis into it. He seems to be fixated on it—I do not know whether there is anything that he would like to declare at this point.

Amendment No. 3 would allow the regulations to include rehearsals. Perhaps the Minister will regard this, as a formal response to her formal consultation on the regulations: please do not include rehearsals. Whereas performances are a limited number of occurrences, allowing smoking during a long run of rehearsals would be potentially much more detrimental to the people who support the rehearsal process.

Amendment No. 12 deals with not raising beyond 18 the age of sale for cigarettes. We welcome that. Going beyond 18 would raise a much wider set of issues because there are many other things for which 18 is a trigger age, and it would not be satisfactory to try to change that by regulation.

The House is, as you can see, Mr. Deputy Speaker, gripped by this set of amendments. It is tempting to test the view of the House on them, but I do not sense that we would get very far, so I probably will not pursue the matter. However, I would be interested to hear the Minister's comment on enforcement. Amendment No. 2 refers to "artistic integrity". Who will judge that, and how will they be trained to do so?

Caroline Flint: In considering the exemption, which can be very tightly drawn, I had to consider what was sensible and how to act in proportion to the risk involved. Different places have approached the matter in different ways. Our exemption mirrors that in California's smoke-free legislation, which has been held up as a shining example many times during our discussions. I also touched on the matter when I was in New York recently, as it concerns theatres there.

Hon. Members have asked who will decide what is integral to the plot or storyline. It will be for the performers and the management of the theatre or premises to satisfy themselves that smoking is an integral part of the artistic performance. Objections can be made to the enforcement authority, which will then investigate the matter and decide whether it wants to press the case. Ultimately, it is for the courts to decide whether smoking can rightly be considered an integral part of the artistic performance. We must not forget that the management of a theatre will want to be convinced that smoking is integral. They are, after all, responsible, by virtue of clause 8, for ensuring that smoking does not take place inappropriately. Other jurisdictions have found that they are able to enforce such legislation, but the consultation process will give us an opportunity to explore the matter further.

Sandra Gidley (Romsey) (LD): I am a little unsure as to whether the amendment would cover school plays. Would they be covered by the age rule, or would the amendment create an exemption to allow children under 16 to smoke?

Caroline Flint: In relation to that tortuous description, I shall look at the *Hansard*. Clearly, children under 16 are not allowed to smoke, so a potential offence would be committed in encouraging them to smoke. We have to grow up a bit about this. We must be realistic, and not forget that the few exemptions in the legislation sit alongside a real culture change in England, which is to be welcomed. Therefore, we must consider where we can have most effect, and the Bill amply provides for that.

David Taylor: To assist my hon. Friend, I am pretty certain that theatrical cigarettes are available that do not contain carcinogenic materials and would not be caught by the Bill in any way.

Caroline Flint: My hon. Friend makes a helpful point, and I should correct myself, because it is not an offence to smoke under the age of 16, but to sell cigarettes to those under 16. Given the number of schools that have healthy schools policies, however, I do not think that a single head teacher in the land would encourage smoking—*[Interruption.]* As the hon. Member for Northavon (Steve Webb) says from a sedentary position, the tabloids would have them if they did. We will have an opportunity to explore the issue further in the consultation.

The point raised by the hon. Member for Westbury (Dr. Murrison) about vehicles was explored in some depth in Committee. To protect the health of workers, the cabs of lorries will be smoke free unless they are for the sole use of the driver. I remind the House that, in response to the consultation last summer, the Road Haulage Association advised that most of its members have smoking policies that prohibit smoking in shared vehicles, and had no objections to the main aim of the policy. I have listened to the House, and the issue has been explored further in the other place. I will ensure that matters relating to vehicles will be subject to affirmative resolution.

Lords amendment agreed to.

Lords amendments Nos. 2 to 12 agreed to.

Clause 14

CODE OF PRACTICE RELATING TO HEALTH CARE ASSOCIATED INFECTIONS

Lords amendment: No. 13.

Caroline Flint: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to consider Lords amendments Nos. 14 to 22, 24, 26 to 28, 35 and 37 to 58.

Caroline Flint: This is simply a group of minor drafting and technical amendments.

Although amendments Nos. 13 to 15 are technical drafting amendments, they are important nevertheless, as they alter the definition of "health care associated infection" in the Bill and relate to the scope of the code of practice. It has always been the policy intention that the code can include requirements concerning infections that are caused or exacerbated by organisms already present on or in a patient's body at the time of their entry into the health care environment. An example would be bacteria that are already present on a patient's skin at the time of their admission to hospital and that infect a patient during or after surgery.

We had thought that the definition used by the Health Bill included such infections, so that the Secretary of State would have been able to include requirements relating to them in the code of practice. However, on further reflection in the other place, we realised that the definition used was capable of another interpretation that excluded infections caused by bacteria present on the patient's skin which subsequently infected the patient as a result of the provision of health care. Such an interpretation would have meant that requirements relating to the prevention and control of those infections would have been outside the scope of the code of practice.

We therefore brought forward Lords amendments Nos. 13 to 15 to make sure that infections arising from micro-organisms present on or in the patient's body prior to the person's entry into the health care system are included in the definition of health care associated infection used by the Bill.

Dr. Murrison: Although these are described as "minor and drafting amendments", they are, as the Minister said, quite important. I believe that Lords amendments Nos. 13, 14 and 15 were inspired by the Royal College of Nursing. They rightly recognise that organisms already present on a person but not doing any harm can become opportunistic pathogens in a health-care environment.

We await the electronic code of practice on the control of health care-associated infections. It would be interesting if at some point the Minister could update us on where it is. The British Medical Association managed to publish its code in February of this year.

Caroline Flint: I am happy to update the hon. Gentleman on where the code of practice is, but first let me respond to what he said about Lords amendment No 37. The amendment commences all regulation-making powers on Royal Assent, and speeds up our ability to lay the regulations by removing any need for us to lay separate commencement orders switching on the powers. That does not allow us to do anything that we could not already do via an alternative route. The alternative route was laying individual commencement orders to switch on regulation-making powers. We felt that that was too bureaucratic, and that commencing the orders automatically on Royal Assent was much more sensible.

We have made the code of practice available throughout the Bill's passage. The last version, a

[Caroline Flint]

near-final draft, was placed in the House of Commons Library back in February. We will publish a final draft shortly, before the provisions are brought into force. However, the provisions will not be implemented until at least two months after the Bill receives Royal Assent.

Lords amendment agreed to.

Lords amendments Nos. 14 to 22 agreed to.

Clause 19

CONTROLLED DRUGS: POWER TO ENTER AND INSPECT

Lords amendment: No. 23.

Caroline Flint: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this it will be convenient to consider Lords amendment No. 25.

Caroline Flint: The Government tabled Lords amendments Nos. 23 and 25 to meet concerns raised in the Grand Committee in the other place about the "authorised persons" who can enter and inspect an individual's private home in relation to securing the safe, appropriate and effective management of controlled drugs.

Lords amendment No. 23 limits when an "authorised person" for the purposes of clause 19 can enter relevant premises which are or form part of a private dwelling. It ensures that an authorised person may enter such premises only if he or she is accompanied by a constable, or in such other circumstances as may be prescribed by regulations. Lords amendment No. 25 is purely consequential.

Lords amendment No. 23 contains a power to prescribe circumstances in regulations in which an authorised person will not need to be accompanied by a constable. That is simply to ensure that if, for example, a medical practitioner's surgery is separate from his or her private dwelling but access has to be through the private dwelling—for instance, it may be on the ground floor of a block of flats with a shared hallway, in which case it will be a private space—it will be possible not to require the presence of a constable.

It will also be appropriate to use the power to exclude care homes from the requirement. While they can properly be classed as private dwellings because they are already inspected by the Commission for Social Care Inspection, it would seem illogical to require the presence of a constable in those specific circumstances.

Dr. Murrison: My noble Friend Earl Howe and my right hon. Friend the Member for North-West Hampshire (Sir George Young) argued that authorised persons entering a private dwelling under the provisions of part 3 should be accompanied by a police constable, and we are pleased that the Government agree with that sensible suggestion. The power of entry will of course be exercised very rarely, but Conservative Members regard such incursions as quite grave and serious, and we welcome the safeguard that the amendments will provide. We also note the protection that they may give authorised persons, and the evidential benefits that may accrue.

I was going to quiz the Minister on what circumstances she might have in mind in providing the possibility of exemptions to the sensible provisions that she has described, but she has given two good examples. With that in mind, I support Lords amendment No. 23. I hope that it will provide the safeguards that we have sought in Committee and in the other place.

Lords amendment agreed to.

Lords amendments Nos. 24 to 28 agreed to.

Clause 48

CODE OF PRACTICE RELATING TO DELEGATED FUNCTIONS

Lords amendment: No. 29.

Caroline Flint: I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this, we may discuss Lords amendments Nos. 30 to 34.

5.30 pm

Caroline Flint: These amendments all relate to the disclosure of information obtained through the use of the powers set out in part 4, chapter 3, which deals with the protection of the NHS from fraud and other unlawful activities. Clause 50 provides special protection for information obtained from personal records, from which the identity of the individual that they are about can be ascertained. An Opposition amendment tabled in Grand Committee in the other place aimed to make it absolutely certain that any personal information was not disclosed to any person in respect of whom it was not necessary to disclose it. That was always our policy intention, but the amendment gave us pause for thought and Earl Howe, who tabled the amendment, graciously withdrew it in order to allow us time to think whether there was anything further that we needed to do to ensure that this important policy objective was met.

The result of our deliberations are the Lords amendments in the group. Although they look fairly complex, they do nothing more than put tighter safeguards around the disclosure of personal information. The amendments were welcomed in the other place, so unless Members are keen to hear the detailed explanations for each amendment in turn, which I am more than happy to give, I will stop there.

Dr. Murrison: I have left the Minister plenty of time. If she would like to explain the details further, she should feel free to do so. I am pleased that the Government have assimilated the concerns about the disclosure of personal information that were expressed by my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) in Committee and by my noble Friend Earl Howe in the other place. On that consensual note, I welcome this set of Lords amendments, but I would like some indication of when we can expect to see the code of practice relating to disclosure, heralded by clause 48 as amended by this group. Clearly, it must be produced swiftly in order to give advance information to those who may have to disclose or handle information in accordance with the Bill.

Caroline Flint: I have taken note of the hon. Gentleman's points and I am happy to look further into them and to provide more information about the code of practice.

Lords amendment agreed to.

Remaining Lords amendments agreed to.

GOVERNMENT OF WALES BILL (PROGRAMME) (NO. 3)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Government of Wales Bill for the purpose of supplementing the Orders of 9th January and 27th February 2006 (Government of Wales Bill (Programme) and Government of Wales Bill (Programme) (No. 2)):

Consideration of Lords Amendments

1.—Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion three hours after their commencement at this day's sitting.

2. The Lords Amendments shall be considered in the following order, namely: 3, 17, 21, 22, 18, 4 to 9, 19, 20, 16, 1, 2, 10 to 15 and 23 to 102.

Subsequent stages

3. Any further Message from the Lords may be considered forthwith without any Question being put.

4. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement. *[Mr. Watts.]*

Question agreed to.

Government of Wales Bill

Lords amendments considered

Clause 7

CANDIDATES AT GENERAL ELECTIONS

Lords amendment: No. 3

5.32 pm

The Secretary of State for Wales (Mr. Peter Hain): I assume that the programme motion has been moved, Mr. Deputy Speaker.

Mr. Deputy Speaker (Sir Alan Haselhurst): Moved and agreed.

Mr. Hain: I beg to move, That this House disagrees with the Lords in the said amendment.

I believe that the package of amendments that we present today forms the basis of a cross-party consensus to achieve Royal Assent before the summer. The Government have listened to debates in this House and particularly in the House of Lords, where some major amendments were tabled. We have sought agreement and I believe that we now have that on the composition of Assembly Committees. The d'Hondt formula is now, instead of being up front, very much a fall-back option and on the back burner. It is there if needed, but we hope that it will not be needed. We have also made concessions on the name of the audit committee and, importantly for all Opposition parties and—frankly speaking—for ourselves, on the membership of the Assembly commission.

The debate on the details of the Bill has been had, and I hope that the Conservatives will now join the other parties in Wales to make the new powers work, and not pursue old arguments. I thought that it was very apt of the former Plaid Cymru leader, Dafydd Wigley, to have told the *Western Mail* yesterday:

> "I hope both sides can give and take. To prepare for what happens after next May, it is extremely important that the Bill gets through before the recess."

That is indeed important. There are important preparations to be made for the election and many orders to be laid in respect of the new internal architecture of the Assembly. The Assembly officials and others want to get on with that and, therefore, Royal Assent by next Tuesday is very important.

After that brief introduction, I shall now address the amendments specifically. I realise that the ban on dual candidacy is contentious with all Opposition parties, but it is a manifesto commitment. Our 2005 general election manifesto stated that we would

> "prevent candidates from standing on both the list and in a constituency in order to make all candidates genuinely accountable to the electorate and to end Assembly Members being elected via the backdoor even when they have already been rejected by voters."

That is a clear commitment from a manifesto that we took to the country in May last year and on the basis of which we won a resounding victory, certainly in Wales and also in the rest of the country. It is a measure that this House considered at length and supported by a considerable majority earlier this year.

The proposals in clause 7 of the Bill, as originally drafted, will strengthen the integrity of the Assembly's electoral system and the legitimacy of regional Assembly Members. They will put the voters in charge by enabling them to reject a candidate who can currently get in through the back door despite being rejected by the voters in a constituency.

I appreciate that this issue has aroused strong feelings on both sides of the House and concerns have been expressed, but I wish to draw the attention of the House to the views of Lord Elis-Thomas the Presiding Officer of the Assembly since its establishment in 1999 and Plaid Cymru's former parliamentary leader. When asked recently by the BBC about his views on the dual candidacy ban, he said:

> "every party has selected under the system which is in the Bill and that, to me, signals a bit of an hypocrisy to carry on fighting old battles, I find that quite boring. So my main battle now is to try and get the structure of the National Assembly under the new constitution and new bill in place for 2007 because I don't want people wasting time, whoever the Government is after 2007, by not being able to get things done."

He added that

> "the debate and the arguments have been lost."

That is a significant statement. He continued:

> "The politics has been lost. What I'm saying is that the big picture now is to get the Assembly established, and a new constitution, because what we have to do is to make it clear to the people of Wales that we have a new democratic opportunity. That is the most important way to challenge the Labour Party or any other party."

I would be the first to admit that I have not always agreed with the views of Lord Elis-Thomas in the past—and I do not necessarily agree with every word of that quotation—but I believe that on this occasion he was speaking with the best interests of the National Assembly and of Wales at heart. He was speaking in a non-partisan way. I know that he was not a supporter of the ban on dual candidacy, but he has moved on and it is important that the House also moves on.

Albert Owen (Ynys Môn) (Lab): I agree entirely with what the Secretary of State said about the manifesto commitment and the fact that we are talking about something that the House of Commons has passed on numerous occasions. Does he agree that Lord Elis-Thomas is, of course, a member of the House of Lords and that he accepts, and his party accepts, in the House of Lords, that the supremacy remains in this Chamber and in the House of Commons?

Mr. Hain: Indeed, although I am not seeking to deny that there have been real improvements to the Bill as a result of debates and arguments in the Lords and the amendments that have been moved there. There has been a constructive exchange, which has partly resulted in some of the important compromises that we have offered—not on dual candidacy, because that is a manifesto commitment. In line with the Salisbury convention, I hope that the House of Lords will respect that, because it is fundamental to the Bill and to the integrity of a new electoral system for the Assembly.

Lord Elis-Thomas knows better than many the work and the preparation that needs to be done to enable the Assembly to make a smooth transition next May to the new arrangements, with a separate Executive and legislature. He does not want that essential work to be delayed by arguments over what his fellow Assembly Member, the Liberal Democrat Peter Black, has described as a

"distraction from the real issues in the Bill."

The real issues in the Bill are, of course, primarily concerned with giving extra powers to the Assembly and also with making sure that it acts as a proper legislature with an Executive who are accountable to that legislature—rather than a rather amorphous corporate body that has not really stood the test of time.

Royal Assent before the recess is vital and I am grateful that the hon. Member for Chesham and Amersham (Mrs. Gillan) and the hon. Member for Montgomeryshire (Lembit Öpik) have recognised the importance of that. The key immovable deadline that we face is the Assembly elections next May. Considerable consequential work is needed following Royal Assent and before the purdah period before the elections. That includes elections and disqualification orders, which need to be made in good time to set out clearly the basis on which all parties and candidates need to organise themselves and to allow adequate time for proper consultation with the Electoral Commission. The Bill includes a power for the Assembly to promote participation in and awareness of the elections—meeting an Electoral Commission recommendation. Clearly, there has got to be sufficient time for that.

Schedule 7 outlines the Assembly's ability to make primary legislation if there were to be a successful referendum. A key commitment is to fine-tune that and to bring forward an amendment order to ensure that it is complete and accurate before the elections next May so that everybody is clear about the new footing on which the Assembly will start. A considerable number of further orders are required—about 14—many of which are fundamental to the separation and include provisions for financing and staffing arrangements. They are critical when it comes to delivering the policy in the Bill, and have to be completed in good time before the next elections.

I hope that I have not taken too many liberties in explaining to the House the importance of getting Royal Assent by next Tuesday. If devolution is to continue to be a success, and the Assembly to help to improve the quality of people's lives in Wales, we need to move on—to go forward, not back. I urge Members to reject the Lords amendment and to disagree with the Lords on this matter.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): First, may I welcome the Secretary of State to the Dispatch Box? It may be the hottest day of the year both here and in Wales, but he always looks as though he has been out in the sun rather a lot when he comes to the House to grace us with his presence, so it is obviously weather that he enjoys.

Mr. Hain: Having a permatan does not prevent one from getting a cold.

Mrs. Gillan: The Secretary of State took the words out of my mouth. He appears to be suffering. I am sorry that he is having so much aggravation with his legislation, both here and in another place. Of course, it is not just this Bill that he is having a little local difficulty with. I understand that there are negotiations on the Northern Ireland legislation, which must be preoccupying him a great deal. We all sympathised with him earlier in the year when he had to pull the Northern Ireland (Offences) Bill. It must always cause a great deal of difficulty in the office of the Secretary of State when legislation has to be withdrawn. *[Interruption.]* It was a pleasure to withdraw that piece of legislation—good, I am glad to hear that. We might be able to agree on that, but there is no doubt that we are not going to reach an agreement on dual candidacy. Notwithstanding any backroom deals that might have been done with other parties, we will continue to register our objections by opposing the provisions in principle. I think neither that the matter is boring, nor that it is something that we can just ignore.

5.45 pm

It was always apparent from the way in which this aspect of the Bill was approached that a deal had been done—it was a deal between Cardiff and Whitehall—to keep Labour Assembly Members happy and dilute what they perceived to be real competition. In truth, it is competition that Labour Assembly Members cannot stand. The Secretary of State is quite right that various justificatory arguments for changing the electoral arrangements in Wales have been laid out by him, the Under-Secretary and Lord Davies of Oldham. However, it is worth having a look at them because I would not want to admit for one moment that the argument is lost. I think rather that the argument has been won, but that the Government have rolled on regardless.

First, we were told that the provision was a manifesto commitment. A manifesto commitment is a statement of intent, or even a wish. A party that was faced with the need to cling on to power by forming an alliance with another party—the Liberal Democrats, for example—would need to compromise on its manifesto commitments. Indeed, I believe that that has happened in Scotland.

The Labour party in Wales does not even need to enter into a coalition to give up on its manifesto commitments. Page 5 of its 2003 manifesto, "Working together for Wales", said that in the next Welsh Assembly term Labour would

"Scrap Home Care charges for disabled people".

However, on 15 February 2006, Dr. Gibbons, the Labour Minister for Health and Social Services, said:

"in view of all that we now know, it is clear that we cannot put in place our original plans equitably and affordably."

There we have a manifesto commitment that was easily put aside.

That was not even a one-off. "Ambitions for Wales", the Labour party's 2001 manifesto document, said:

"We will not introduce 'top-up' fees and have legislated to prevent them."

Of course, Labour broke that manifesto promise. It was only the Conservatives who forced the Labour party to remove those charges from Welsh students attending Welsh universities. The claim that manifesto pledges cannot be broken really does not hold water as a cohesive argument. Such pledges can be broken when it suits the Labour party.

Secondly, we are told that the system is confusing to the electorate and that we do not want losers to become winners. What nonsense is that? If the Labour party does not want losers to become winners, why has it admitted Baroness Jones of Whitchurch to the House of Lords today? If I remember correctly, she was the losing candidate in the Blaenau Gwent constituency in the general election. Labour Members say that they want losers to be losers and not to become winners, but I am afraid that that rings pretty hollow today. If the Labour party did not want losers to become winners, why did it introduce a list system at all? On the death or resignation of a sitting Member, the next person on the list—most arguably a loser—automatically moves into an elected position. The claim is paramount nonsense.

The electorate are confused not about dual candidacy provisions, but about the multiplicity of the voting systems that the Labour Government have introduced since 1997. We have the supplementary vote system for the London mayoral election, the proportional representation list system for European elections—except in Northern Ireland, where there is a different system—and indeed the single transferable vote system in Northern Ireland. I do not think that I need to go on. The multiplicity of the systems is confusing voters who have been used to first past the post. However, another change is proposed for Wales after only a short time.

What is the basis for the change? If it were based on fact, investigation, consultation or popular demand, I could understand it, but that is not the case. The only research that has been prayed in aid of the change is that of the Bevan Foundation. Despite the foundation's excellent credentials, that work was hardly its finest piece of research. Such a small, isolated, Labour-purchased report should hardly form the basis for electoral change. I have to tell the Secretary of State that I have received no letters from people demanding a change. I have heard no public outcry and have received no letters supporting the changes that he wants to make.

Mr. Wayne David (Caerphilly) (Lab) *rose*—

Mrs. Gillan: I am happy to give way to the hon. Gentleman who sponsored the research.

Mr. David: The hon. Lady has questioned the objective credentials of the Bevan Foundation on numerous occasions, but does she agree that it is significant that the Leader of the Opposition has contributed to its current review?

Mrs. Gillan: I was not casting aspersions on the Bevan Foundation—I was just saying that I doubt that it is happy, either with that small, imperfect piece of research or for it to be cited as the sole support for electoral change in Wales. The foundation has some excellent credentials, but that research is slightly lacking in my view and, I believe, in the hon. Gentleman's view, given his admission.

To justify the changes, the Secretary of State said that there is widespread, systematic abuse by regional Assembly Members. I have challenged him to produce evidence, as has Nick Bourne, the leader of the Conservative group in the Assembly. In a debate on this subject on 27 February, I asked the Secretary of State whether he had replied to letters that Nick Bourne had sent him on 4 November and 27 January. Since then, another letter was sent on 20 March. Of course, there is no evidence of abuse, which is why, I assume, the Secretary of State has not had the courtesy to respond to those letters. I am happy to give way to him if he would like to explain why he has not done so. Those letters are perfectly polite—if he would like to look at them, I have copies with me. It appears, however, that the allegations of abuse are another fabrication to try to justify the self-serving provision in the Bill.

There is a great deal of opinion against the introduction of such a system, which operates successfully only in Ukraine. The Electoral Commission was not convinced of the need for change. In its submission to the Welsh Affairs Committee, it concluded:

> "In light of the need to encourage voter participation at the Assembly election in 2007, we would caution against any change that is perceived to be partisan and could add to a prevailing distrust of politicians.
>
> On the evidence available to the Commission…we do not believe that the case for change has been made out."

The Electoral Society Reform said:

> "We urge the Government to reconsider their proposal to ban dual candidacy, a controversial and divisive argument for which the case has not been adequately made."

During the Bill's passage through the House, we heard from the Arbuthnott Commission which, after 18 months of deliberation and discussion, following the submission of evidence, including verbal evidence, from a range of bodies and elected representatives at all levels, concluded that there was no evidence that dual candidacy was problematic for voters. Professor Sir John Arbuthnott said:

> "Banning dual candidacy would, if you think about it, actually restrict voter choice and potentially diminish the quality of constituency contests."

The commission concluded that there was no case for change in Scotland, and there are no plans to introduce the system there. If it is not good enough for Scotland, why is it good enough for Wales? The Government have neither consulted on, nor examined, the changes in a responsible or thorough fashion. Indeed, in the 2006 annual report by the Wales Office, the Secretary of State said:

> "The third commitment was to prevent candidates from standing on both the list and in a constituency in order to make all candidates genuinely accountable to the electorate. The Government believes that following two Assembly elections and experience of the Additional Members System there was a need to modify the system to prevent candidates from standing simultaneously in a constituency and on the regional list."

I assume that the reference to making "all candidates genuinely accountable" means that serving Assembly Members are not genuinely accountable. It means, too, that none of the list Members in Scotland, either before or after the next election for the Scottish Parliament, are genuinely accountable.

The Secretary of State is suggesting that there are two classes of Assembly Member. That is absolute rubbish, and it is not worth the paper it is written on. As I said, the Government have not consulted or examined the changes to the electoral system, or sought consensus. They have not respected the principles of the original devolution settlement in Wales but, as usual, they do things in Wales that suit Labour party politics. I will not support that course of action, so I urge my hon. Friends to agree with the Lords amendment and oppose the Government motion in the Lobby.

Mr. Paul Murphy (Torfaen) (Lab): I apologise for being a little late for our debate.

The Assembly elections will be held in about 10 months' time. The Assembly has done many good things for the people of Wales, but I believe that turnout will be low, which is unfortunate for Wales and for democracy. One problem is that voting in elections is affected by the enormous publicity created by the media. Even at the general election, turnout was reduced. The great bulk of the Bill that we have discussed in recent months will not excite the people of Wales to increase turnout. People vote when their lives are directly affected by an issue, whether it is the health service, schools or local government. Constitutional issues are interesting for politicians, but I am not convinced that the people who elected me are as excited about them as we are in the Chamber.

I do not understand for one second the reasoning of the hon. Member for Chesham and Amersham (Mrs. Gillan) on our manifesto commitment. She cited an Assembly manifesto commitment, but it was not an Assembly commitment, but a manifesto commitment made by Welsh Members who stood for parliamentary election to the House of Commons. She said that we should not break our manifesto commitments, and reeled off a list of accusations, but she went on to suggest that we should break that commitment. That is nonsense.

David T.C. Davies (Monmouth) (Con): The right hon. Gentleman is far wiser and has more experience of the House than I, but according to that argument, during the 18 years in which the Conservatives held sway, he would not have dared to question anything that we included in our manifesto. If we did not question things in manifestos there would not be much point in our coming to the House.

Mr. Murphy: I do not question the fact that Opposition parties should debate the manifesto of the winning party, but there comes a time when the upper House has to acknowledge that manifesto. My right hon. Friend the Secretary of State referred to the Salisbury convention, and our manifesto could not have made the position clearer. We wanted to change the rules on the Assembly, and people voted on that change. The hon. Member for Chesham and Amersham raised the issue of consultation—of course, those matters were discussed at the general election, and were extremely prominent in the run-up to that election. There was a party conference in Wales and those matters were discussed by newspapers and television companies—whatever their views on them.

The hon. Lady represents an English constituency, so she would not know about these things. However, when we travelled around our constituencies, we talked about those commitments, one of which was on the need to prevent the daft nonsense of dual candidacy. I would have gone much further than the Secretary of State in changing the electoral system in Wales, but that is an issue for another day. The hon. Lady is entirely right that the daft system for electing people to the European Parliament ought to be changed. The link between a Member of Parliament and the constituents whom they represent in the House of Commons is a jewel in the crown of our democracy. The added list needs to be looked at, but for all sorts of reasons we are not in a position to do that yet. At present we are abiding by that significant, obvious manifesto commitment to change the rules on dual candidacy.

6 pm

Lembit Öpik (Montgomeryshire) (LD): The right hon. Gentleman cites as the core element of his argument the rule that a manifesto commitment must not be broken. Can he confirm that he thinks it was utterly unacceptable for the Government to break their highly publicised manifesto commitment in 2001 not to introduce tuition top-up fees? The question is relevant, because there is no consistency in what the right hon. Gentleman claims his Government should do, and what the Government have done with regard to manifesto commitments.

Mr. Murphy: I agree with what the manifesto stated about these issues. The hon. Gentleman and I argued about this some months ago in this place. It is not relevant to what we are discussing. What is relevant is that the House of Lords debated the matter, made the arguments clear and voted accordingly. The matter has come back to the House of Commons and it is now up to Labour Members to honour those manifesto commitments and to ensure that what the people of Wales clearly voted for is honoured by the Government.

Mrs. Gillan: The right hon. Gentleman protests too much about the Salisbury convention. Although the Liberal Democrats voted with us in the other place to produce the amendment that is presented for the House's scrutiny, and the vote was won by 133 to 114, I understand that a deal has been done with the Liberal Democrats whereby they will not challenge the House's decision in the other place, so they will not stand alongside us on a point of principle. Quoting the Salisbury convention is therefore almost pointless. Once a deal like that has been done, if the Liberal Democrats cannot stick to their guns, the Government will get their business.

Mr. Murphy: I did deals myself when I was Secretary of State for Wales, but that is another story. Whatever the situation, the House of Commons must recognise that the people of Wales voted on the matter and we must honour that.

Lembit Öpik: I am delighted to hear that both the Conservatives and the Labour party do not want to make winners out of losers. In the case that neither party gets an absolute majority at the next general election, I presume that they will not seek to impose their minority manifesto upon the country. In that context I was more than a little surprised to

[Lembit Öpik]

hear—*[Interruption.]* I think I hear the laughter of agreement from the hon. Member for Chesham and Amersham (Mrs. Gillan).

David T.C. Davies: Can the hon. Gentleman assure us that if by any chance his party comes third, it will not seek to implement any of its manifesto on any of us?

Lembit Öpik: The irony is lost on the hon. Member for Monmouth (David T.C. Davies), as usual. It is somewhat dog-in-the-manger to hear the bleating of democratic concern from Conservatives—*[Interruption.]* I am about to say something about the Conservatives, not about Labour. The hon. Member for Vale of Clwyd (Chris Ruane) should not provoke me. He would not like me when I am angry.

Madam Deputy Speaker (Sylvia Heal): Order. Although I am pleased to find such good humour among Members, perhaps we should concentrate on the debate.

Lembit Öpik: I was momentarily distracted, Madam Deputy Speaker, by the sheep noises from the hon. Member for Vale of Clwyd. Hopefully, his support for rural policies will follow from that.

There is a degree of schizophrenia in the way that the Conservatives approach issues of democratic mandate, but perhaps that is a matter for another day. I am frustrated by the apparent about-turn made by the right hon. Member for Torfaen (Mr. Murphy), who has my considerable admiration and respect, but not when he picks and chooses the manifesto commitments that he thinks his Government should see through. He is quite willing to see the utter abandonment—the U-turn—on other manifesto commitments, such as on student top-up fees, when that suits him. Let us remember that the Government could not have been any clearer in 2001 about their opposition to introducing student top-up fees, and went on blatantly to break that commitment. When the right hon. Gentleman comes to use his manifesto promises on this occasion, he will understand why some of us are rather cynical about when and where Labour right hon. and hon. Members choose to support their Government.

The second point, which I make to the Secretary of State, is that the Government did not win the last general election. They got roughly a third of the vote. [HON. MEMBERS: "Oh!"] Hon. Members seem surprised by the mathematics of my claim. I think they will understand when I say that 35 per cent. support suggests to me that 65 per cent. of people voted against their proposition. Even in Wales, a majority of voters voted against the Government's manifesto, so they cannot realistically cite in defence of their proposal—any proposal—the claim that a majority of people in Wales voted for their manifesto commitment.

The amendment tabled by the Conservatives and ourselves reversed the Government's attempt to ban dual candidacy, for the reasons that we have discussed many times, some of which have been repeated by the Conservative spokesperson this afternoon. The amendment maintains the electoral status quo, with Assembly Members able to stand simultaneously for a constituency seat and on the list.

The Liberal Democrats have always maintained that the dual candidacy debate, which has attracted the most attention in the media of all the issues relating to the Bill, is not the single most important issue. It is, in a sense, a secondary procedural issue which has attracted a disproportionate amount of attention. The Bill is fundamentally about devolution and the extent and quality of the powers handed down to the Assembly. Nevertheless, since we are debating it and the Secretary of State is inviting us to rehearse the arguments again, let us recall briefly why there has been opposition to what he and the Labour Government seek to do.

The Clwyd, West problem is something of a red herring. The Government White Paper stated that the current arrangement for dual candidacy

> "devalues the integrity of the electoral system in the eyes of the public and acts as a disincentive to vote in constituency elections",

presumably because candidates who lose constituency elections can become Assembly Members via the list. However, the Electoral Reform Society commented:

> "It has been almost universally agreed that there is little evidence"

to back up the Government's claims.

In her submission to the Welsh Affairs Committee, Kay Jenkins, Head of Office at the Electoral Commission, said:

> "There is no evidence that the Clwyd West so-called problem has had any impact on voter participation. . . We have got a very extensive body of research on what makes people vote and not vote across Britain and particularly specifically in Wales, and it is on that basis that we say it is not an issue we could say has ever been raised with us."

In their evidence to the Committee, Dr. Roger Scully and Dr. Richard Wyn Jones from the university of Aberystwyth cited a study that they had done. They said:

> "The total number of people who mentioned anything at all as a reason for not voting in 2003 in our sample was 2; that is out of more than 500 who said they did not vote."

Let us remember that the Welsh Affairs Committee was split strongly along party lines on the matter and voted 5 to 4 to back the Government's stance. My hon. Friend the Member for Ceredigion (Mark Williams) voted against the Bill's proposals, as did the three Conservative members. There are no points for guessing the party affiliation of those who voted for it.

Faced with all that powerful evidence to suggest that the Government are pursuing their proposal for party interest rather than democratic interest—

Albert Owen: Will the hon. Gentleman give way?

Lembit Öpik: In a moment. I was about to say that we have one robust piece of research from the hon. Member for Caerphilly (Mr. David), which we will hear about after the break.

Albert Owen: The hon. Gentleman says there is massive evidence and cited two people out of 500 who did not vote. What evidence does he have for the assertion that he keeps making—on Second Reading and subsequently—that the Labour party will benefit in Wales? He has none, so why does he keep repeating that it is acting for party political interests? He quotes evidence to back one argument, but he keeps asserting another for which he has no evidence.

Lembit Öpik: The reason is fairly obvious to all of us on the Opposition Benches and, I suspect, to a number of members of the Labour party. The reason is that the present electoral mathematics would make it, as far as we can see, attractive to Labour Members to try and separate the list from the constituencies. *[Interruption.]* Members just saying from a sedentary position that that is not the case does not alter my perception that it is the case. *[Interruption.]* Well, it is a perception; that is what I believe is going on.

Mr. Roger Williams (Brecon and Radnorshire) (LD): My hon. Friend is very perceptive.

Lembit Öpik: And I am a very perceptive individual, as my hon. Friend perceptively points out.

Having said that, let me respond to the plea for information by the hon. Member for Ynys Môn (Albert Owen) by citing the one piece of research that we have discussed in defence of the change. It comes from the hon. Member for Caerphilly. His research has been discredited as hardly scientific, but it is laudable that he still clings to the morsels of hope that it provides for his conscience in respect of seeing that this change needs to be made.

Mr. David: The hon. Gentleman refers to the research as my research. Does he not accept that it was conducted by an independent think-tank?

Lembit Öpik: If the hon. Gentleman had reread a debate that we had in the past it would save me a lot of time in highlighting why we think that his research is desperately flawed. Indeed, I have little doubt that that research will go on to prove that he is the greatest politician who ever stood—in Caerphilly—and that Labour is the greatest party ever to represent Wales. *[Interruption.]* The sheeplike noises from Labour Members back up that assumption. My point is that that was the only research that we heard in defence of the change.

The final defence for the change, which we heard from the Secretary of State, is that the current electoral arrangements have been subject to, in his words,

> "systematic abuse for party advantage by Opposition parties".

He must acknowledge that the Electoral Reform Society—which does not have a party interest in supporting one system or another—said that

> "a ban on dual candidacy will not provide a solution to this dilemma—whether or not they are permitted to stand as constituency candidates, there is nothing to stop list candidates from targeting particular constituencies on behalf of their parties."

The ERS concludes:

> "We urge the Government to reconsider their plan to ban dual candidacy, a controversial and divisive argument for which the case has not adequately been made."

Mrs. Gillan: Would the hon. Gentleman also like to acknowledge that even if the Secretary of State could not reply to the letters from Nick Bourne, the leader of the Conservatives in the Welsh Assembly, he did reply to Rhodri Morgan, under the Freedom of Information Act 2000, in respect of producing any evidence of the alleged abuse of positions by regional Members of the National Assembly for Wales? On 25 April, the reply came that the Government had not been able to uncover any such information. No evidence whatever of any abuse has been brought forward. Therefore, they are basing these electoral changes on a false premise.

Lembit Öpik: I have to admit that I agree with the hon. Lady. That serves to underline the reason behind my response to the hon. Member for Caerphilly and others: they have failed to provide a plausible intellectual or objective defence of the change that they wish to make.

I ask the Secretary of State one last time to reconsider. Trying to make this change has not been the Government's finest hour. Whether or not they admit that, they must accept that the perception is that this is being done out of party political interest, and it is beyond us why they continue to pretend that it will go the slightest way towards preventing targeting by one party of a constituency held by another.

Mr. Roger Williams: Does my hon. Friend agree that the Government's proposals would not stop a successful list candidate in one election targeting a constituency for the next election? These proposals do not prevent that from happening.

Lembit Öpik: My hon. Friend is completely right.

There is a final piece of good news. If the Government's intentions are sincere, they will ensure that Labour Members who represent one constituency will not be actively involved in trying to win constituencies around their own. But of course we know that that will not happen; we know that in the competition of British politics, parties will attempt to gain seats from each other, because that is how politics in this country works. When the Secretary of State used in defence of the change the argument that it would make it more difficult to do that, he was ignoring one political reality above another. The argument on this entire matter has not been persuasively made, and I hope that, even at this late stage, the Government might think again.

Mr. Don Touhig (Islwyn) (Lab/Co-op): I apologise to you, Madam Deputy Speaker, and to my right hon. Friend the Secretary of State for missing his opening remarks; it took me a little while to arrive in the Chamber once I saw that our business had started.

6.15 pm

Devolution is still a confusing and divisive issue in Wales. Although the National Assembly for Wales has been in place for more than seven years, much work still needs to be done to convince people of its worth. My right hon. Friend the Member for Torfaen (Mr. Murphy) said on Second Reading on 24 January that when scrutinising any legislation before this House we must make full use of the Splott market test: how will that legislation affect the person shopping in Splott market on a Sunday? I apply the Blackwood high street test in much the same way. Seven years on, it is my belief that if we were to ask people their views on the Assembly's electoral system, a great many of them would say, "confused." They are confused by it. Why is it, they ask, that people who are soundly beaten in a straightforward first-past-the-post election can then guarantee themselves a place in the top-up on the party list system?

We have heard much wailing and gnashing of teeth from Opposition parties about winners and losers; looking around this Chamber, it is clear that we have a record of winning and they have a record of losing. For all the Opposition parties' arguments, it is surely unfair that a person—such as the leader of the Tories or the Liberal Democrats in the Assembly—who has been rejected by the electorate in a constituency in the direct election can then gain a place at the top of the top-up list and find themselves in the National Assembly. Indeed, I understand that they can then call themselves alternative AMs for the constituency that they represent. That is a bizarre practice, which I am told has the support of the Presiding Officer.

David T.C. Davies: The hon. Gentleman has a point, but although that is a bizarre practice it is a fault of the proportional representation system itself. Why does he not have the courage to come out and say that PR is a bad electoral system, instead of making subtle changes that will not prevent the situation he has described?

Mr. Touhig: The hon. Gentleman and I might find ourselves in some agreement about PR, but that is perhaps a matter for another day.

People ask why it is that the party with the largest share of the vote in the top-up—the Labour party got 36.6 per cent. of the vote in the top-up at the last Assembly elections—is denied any seats as a result of that. My own view, for what it is worth, is that we should separate the first-past-the-post system from the top-up system so that the results truly reflect the wishes of the electorate.

It is a matter of some regret to me that the Bill does not do that. However, I accept that my Front-Bench colleagues have to gain the broadest possible consensus on a constitutional Bill of this nature, and although I believe that my proposals are right, they certainly would not produce a consensus—but then I have never been a consensus politician. The fundamental issue is how we can make this system more effective and more just. I believe that the amendment that my right hon. Friend the Secretary of State has tabled to overturn the Lords amendment is right, and it has my full support.

David T.C. Davies: I am one of the people who the hon. Member for Montgomeryshire (Lembit Öpik) referred to earlier: I voted and campaigned against the Welsh Assembly and I make absolutely no apologies for doing so. *[Interruption.]* In response to more noises from Labour Back Benchers, let me say that—as with members of Plaid Cymru, who are sitting in a Parliament whose location is perhaps not of their choosing, and members of the Liberal Democrat party, who have fought many elections under a voting system that they do not necessarily agree with—it is right that Conservatives who had opposed the Welsh Assembly were more than happy to accept it as a reality on the ground and to work constructively to try to ensure that it delivered stability for Wales. Seven years down the line however, it comes as something of a surprise to all of us that, instead of looking at why the voting turnout is not what it should be, the Government have decided to push through a subtle, but very sneaky, change to the electoral system.

In a very worthy speech, the hon. Member for Islwyn (Mr. Touhig) decried the overall system of proportional representation and pointed out that it means that people who have not gained the confidence of the majority of an electorate in a given constituency can nevertheless sit as Members of this institution. The right hon. Member for Torfaen (Mr. Murphy) made a similar point, and I have to say that I have a great deal of sympathy with that view. I do not believe in the PR system. I happen to agree with him that a Member's representing first and foremost the people who vote for him, rather than the political party that put him there, is indeed the jewel in the crown of our electoral system. But I then have to ask Labour Members why, if they believe that, they propose a subtle change to an electoral system that will allow the overall principle to continue, instead of having the political courage to come out and say, "We don't believe in proportional representation. We are going to scrap it completely and have either one or two Members elected to each constituency in Wales."

That would be an intellectually honest approach for Members who do not like the PR system to take. *[Interruption.]* I am quite happy to take interventions. But instead, those Members propose a change so subtle that very few people will understand it. This is where I begin to diverge from the right hon. Member for Torfaen, because the reality is that virtually nobody will complain that they wanted not this PR system, but another one. We are used to receiving hundreds of letters from our constituents about a variety of things—from the situation in the middle east to whether bears should be used in circuses—but I can honestly say that in my one year as a Member of this place, and in seven as a Member of the Welsh Assembly, I have not received a single letter suggesting that the current PR system is wrong and should be amended. Nobody has ever come up to me in the street and suggested that the system should be changed. I have heard many people, some from my own association, say, "Scrap PR altogether," but I have never heard anyone suggest that this subtle change to the system will make any difference to voter turnout or anything else.

So one has to ask why the Government are going ahead with this proposal, and the answer is that, yes, they are going to derive a straightforward political advantage from doing so. They know perfectly well that the minority parties benefit from the PR top-up system, so it is those parties—the Liberal Democrats, Plaid Cymru and the Conservative party—that will be most disadvantaged by the change that the Government are pushing through, and which they know very few people will understand. I am afraid that some of the reasons that they have come up with for the change—I tried to make a note of some of them—are absolutely pathetic. I have heard it said that AMs do not like regional Assembly Members competing with them in their constituencies, but those who say that seem not to have grasped the simple fact that, even if this change is made, regional Assembly Members will still be able to open an office in, and put up a sign in, the constituencies of existing Labour AMs, and some will still do so. If Labour AMs are doing their job properly, they will have absolutely nothing to fear from regional AMs.

The regional AM for South Wales East—the leader of the Liberal Democrats in the Welsh Assembly, no less—has often tried to portray himself as the AM for Monmouth. That never bothered me in the slightest, and do you know why, Madam Deputy Speaker? Because everyone would scratch their heads on reading his leaflets and wonder who the hell this bloke was who was pretending to be the AM for Monmouth, when they all thought that it was me. Such behaviour reflected rather badly on those people. If directly elected AMs are doing their job properly, they have nothing to fear from regional AMs who would like to think that they represent a constituency.

We have heard it said that it is unfair that a directly elected AM should have to contest an election against somebody who has already been doing the job for a couple of years, and who has been pretending to be the AM for the area. What this amounts to is that the Labour party, which has enjoyed a political monopoly in Wales for decades, is just a little upset at the fact that it is losing the advantage of incumbency. Instead of fighting against candidates who do not have all the advantages of sitting AMs or MPs, they are fighting against those who, to some extent, have the same opportunities and the same access to offices and leaflets, and they do not like it. They do not like competition on an equal basis.

The Government are pushing through a change that they know will mean that regional AMs will be in direct competition with members of their own party who are standing for the constituency seat. That is why this change will undermine the minority parties. The Government know the game and they do not want us to explain it, but we all know that the reality is that a regional AM will suddenly find themselves in direct competition with a colleague from their own party who is standing for the constituency in question. That is why the Government are pushing through this change. They can smile and laugh, because they know that most people will be lost when the change is explained to them. They know that the man on the Pontypool omnibus—if there are such things any more; that is perhaps a debate for another time, but thanks to the cuts, many such services are disappearing—*[Interruption.]*

Madam Deputy Speaker: Order.

David T.C. Davies: Thank you, Madam Deputy Speaker. I am not going to talk about the No. 73 omnibus that runs between Chepstow and Cwmbran, because that one is disappearing as well. But the fact is that nobody on any of the few omnibuses that are left in Wales is talking about the need to change the PR system in the way that this Government propose. Tonight, they want to use their majority to push through a profoundly undemocratic change to the electoral system. I urge those decent members of the Labour party to forget about their party Whips, for once, to think about what is good for democracy in Wales, to reject what their Government are trying to do, and to support the Lords amendments tonight.

Albert Owen: It is always a pleasure to follow the hon. Member for Monmouth (David T.C. Davies), with whom I agreed on a couple of points. However, there is no party political advantage to this proposal. The Opposition parties have had opportunities on Second and Third Reading, on Report and in the Lords to come up with evidence that this proposal will lead to a party advantage for Labour, but they have failed to do so.

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): The hon. Gentleman sat through, and read the evidence sessions of, the Welsh Affairs Committee, and he will have heard the Electoral Commission say that, regardless of whether this change will lead to a measurable party advantage, the mere perception of a partisan advantage is enough to undermine faith and trust in the democratic process. We have heard a lot of talk this evening about trying to achieve cross-party consensus, but through this proposal the Government have set their face against consensus.

Albert Owen: I hate to correct the hon. Gentleman on facts and detail, but I was not a member of the Welsh Affairs Committee and I did not participate in that evidence session. I did read the report of that session, but I did not agree with it. Reference was made to perceptions, but what we need to talk about is facts and how we are going to move the Bill forward.

Mrs. Gillan: If the hon. Gentleman wants to talk about facts, he has only to look at the vote that took place in the Assembly. The casting vote by the presiding officer, who had to vote in the way that he did, was the only reason why the motion was carried—it was all the Labour party AMs against the rest. What more evidence could there be of a partisan Labour position?

Albert Owen: I am grateful to the hon. Lady for that intervention and I am very glad that my Labour colleagues in the Assembly agree with the Labour party in Wales. We stood on a very firm manifesto commitment. My Front-Bench colleagues will be very happy to know that I carry my copy of the manifesto with me and read it in great detail. This is a very serious issue, and on page 108 of the manifesto, there are three very clear statements about our intention to introduce the Government of Wales Bill.

Lembit Öpik: Will the hon. Gentleman give way?

Albert Owen: We have had very unclear statements from the Opposition, so it is right that I read out those statements before giving way. The first says:

> "In a third term we will legislate for a stronger Assembly with enhanced legislative powers."

Some Opposition Members disagreed with that idea during our debates and that is fine, but that is what our manifesto states. The second statement is:

> "We will improve the accountability of Ministers by ending the confusing corporate status of the Assembly".

[Albert Owen]

So it is very clear that that is what we are going to do, and we have the support of this House. These days, I am far more diplomatic than the Secretary of State on such issues. I understand that we have these debates, and I am not really worried about this legislation, but I am proud that we are standing by our manifesto commitments. One cannot get much clearer than the third statement:

> "Alongside the changes we will prevent candidates from standing on both the list and in a constituency in order to make all candidates genuinely accountable to the electorate and to end Assembly Members being elected via the backdoor even when they have already been rejected by voters."

That is a very clear commitment and I stand by it. When I discussed the Assembly on the doorsteps of Ynys Môn, that very issue did arise, and I intend to vote with the Government.

6.30 pm

Lembit Öpik: Does the hon. Gentleman therefore oppose the appointment to another place of candidates who obviously lost in the elections in Wales? Secondly, and perhaps even more importantly, is the hon. Gentleman really expecting us to believe that the Labour party voted for the proposed change, while all the other parties voted against, because it wanted to help all the other parties and thought of no particular benefit whatsoever for the Labour party?

Albert Owen: Those two points do not relate to the clause. I think that the hon. Gentleman leads with his chin. I do not agree with the House of Lords per se. It is an unelected Chamber and I hope that I have the opportunity in this Parliament to vote for a democratic Chamber in the other place. That is where I stand on the House of Lords. As I have said, the hon. Gentleman leads with his chin because one of his colleagues is sitting in the Gallery, someone who has been rejected on several occasions by the electorate of north Wales. I do not think that that person or any others should be in the House of Lords. That is my answer to the hon. Gentleman.

Madam Deputy Speaker: Order. First, it is not in order to refer to whoever might be in the Gallery. Secondly, let us now concentrate on the amendment.

Albert Owen: I apologise, Madam Deputy Speaker. I could not resist referring to the leader of the Liberal Democratic Party in Wales.

Mr. Touhig: Does my hon. Friend agree that if the Liberal Democrats did not have a host of rejected parliamentary candidates, they would not have anybody in the House of Lords?

Albert Owen: I shall keep with the amendment that is before us. However, I agree with my hon. Friend.

Our manifesto stated clearly what we were going to do and I am proud that we have adhered to that. However, my right hon. Friend the Secretary of State is perhaps too diplomatic with regard to the status of the House of Lords. We know the position. We have had great debates on Second Reading and Third Reading, and we have carried the measure through with a huge majority. Now, the House of Lords—no one has elected its members—feels that it can overturn our decisions. This is a constitutional issue. I believe that the Salisbury convention should be adhered to and that Opposition Members should not support the other place. Instead, they should vote for democracy. They should vote in accordance with the Labour party manifesto, Labour being the largest party in this place. We are entitled to govern on our manifesto.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The right hon. Member for Torfaen (Mr. Murphy) did not on this occasion pray in aid the piece of research from Splott market. We had an exchange on that during previous proceedings. The right hon. Gentleman said that he had discussed the matter in a few pubs in his constituency. He was asked questions about time and so on, but we will not go into that now. Suffice it to say that, on any objective view, I do not believe that there is any evidence upon which the change can seriously be put to us. Opposition Members know that, despite the sterling efforts of the hon. Member for Caerphilly (Mr. David) and the fantastic ground-breaking piece of research that he commissioned—it was not persuasive, but ground-breaking nevertheless—we have not been presented with very much.

The right hon. Member for Torfaen said that he never did deals. For someone who has been in high office in the north of Ireland, that is difficult to understand. However, I am sure that, as always, he is telling the truth. However, a deal was struck for the proposal to go through between the anti-devolution Labour party and the pro-devolutionists. That is what it is all about. It is a piece of red meat to keep those who are against further devolution happy. That may or may not be relevant to the debate.

We had a sterling speech, if a little ex-cathedra, from the hon. Member for Islwyn (Mr. Touhig). It was interesting in that he showed that he does not want to see anybody else getting elected in Wales other than Labour candidates. I believe that that is his true position. At least he is honest enough to say it, and I respect that.

I will not go through the evidence again because time is short and there are other important issues that we must discuss. However, I will touch briefly on one or two matters now. When the Secretary of State opened the debate he said that the Queen must give Royal Assent to the Bill at some time between now and Tuesday. The right hon. Gentleman detailed why that must be so, and I am sure that everything he said was right. He said that over the coming weeks and months there will need to be several references to the Electoral Commission for discussions and, if necessary, to vary regulations. On two occasions during his opening speech he prayed in aid the Electoral Commission. Why then was the electoral commissioner, Glyn Mathias, roundly ignored when he said that he thought that the proposal would be a partisan move and that there was no evidence to support it? Glyn Mathias commented on the research that the commission had undertaken. He said:

> "This issue did not figure in that research. We asked a whole series of questions and sought unprompted replies and this issue

> did not arise...what concerns us is that there is no evidence whatever in the White Paper to back up this proposal...therefore, we came to the conclusion that we think that the case for change has not been made."

This is the same Electoral Commission that will be busy in the coming weeks and months when the Bill is enacted. In this instance it was roundly ignored on an important part of the Bill.

Pete Wishart (Perth and North Perthshire) (SNP): I am sure that the hon. Gentleman will recognise the booklet that is in my hand—the Arbuthnott report. It reached the same conclusion and found that there was no evidence to suggest that this was an issue for the public. In fact, Arbuthnott went further and suggested that dual candidacy was anti-democratic. Perhaps the difference between Arbuthnott and the Richard commission was that Arbuthnott was a cross-party document and was consensual, whereas the Richard commission was a Labour party inspiration which was there only to serve the Labour party.

Mr. Llwyd: I differ slightly from what the hon. Gentleman says about Lord Richard. I think that Lord Richard did a sterling piece of work and I would not level a charge of partisanship at him. However, I take the hon. Gentleman's point. The Arbuthnott conclusions were quite different.

I will not refer to the various academics who have been referred to at length in previous discussions, including Dr. Richard Wyn Jones and readers from the Napier university. As far as is known, the only other system that embodies the system that we are talking about introducing in Wales was in pre-revolution Ukraine. If we want to adhere to standards such as that, all well and good, but I ask must ask again where one might find the evidence for this change in the law? I cannot see it. Other hon. Members have referred to the Electoral Reform Society. There is a welter of evidence against the proposed change. The only thing in favour of it is the rather scant piece of research commissioned by the hon. Member for Caerphilly. The Government have brought the proposal before the House and have found that the only evidence to support it was commissioned by a Back-Bench Member of Parliament halfway through the proceedings. That is not persuasive.

Mark Tami (Alyn and Deeside) (Lab): The hon. Gentleman refers to the Electoral Reform Society as if it did not have an agenda. It clearly has an agenda, and that is why it is putting forward the views that it is.

Mr. Llwyd: What agenda does the Electoral Commission have? Would the hon. Gentleman care to speculate on that? I dare say that he cannot answer that question.

Mrs. Gillan: In the document before me, it says that

> "the Electoral Commission is an independent body established by the UK Parliament in 2000 by the Political Parties, Elections and Referendums Act. We are independent of the UK Government and political parties, and are directly accountable to Parliament."

Mr. Llwyd: This will go down as probably the most partisan change in the law in the last five years. Hon. Members may laugh because they are content with it; they know that it will assist them, so why should they not laugh about it? But others in different parties, others of no political affiliation and other academics throughout Britain and beyond have looked at this and come to the same conclusion. It is a partisan way of proceeding, and that is what we are arguing about. I do not say that it would necessarily benefit my party unduly, or indeed anybody else's, but it will benefit the Labour party, and that is why I am concerned about it. It is all very well referring to the Salisbury convention, but this is a bad piece of law that we are debating. It is partisan. I shall not refer to the other quotations.

Mr. David: Will the hon. Gentleman answer this simple question: how on earth will it benefit the Labour party?

Mr. Llwyd: That has already been explained fully. *[Interruption.]* How many times do hon. Members want to hear it? We have heard it from both sides of the House. Suffice it to say that my belief is that it will benefit the Labour party. It is not me saying so, but Dr. Scully, Dr. Wyn Jones and Dr. Weinstrob. I could go on—Sir John Arbuthnot. There are plenty of people to whom we could refer. Those people are entirely without political connection, and they have reached that conclusion.

This matter will be put to a vote, I believe on a matter of principle. I do not want to see the rest of the Bill being delayed, but this is a bad clause and the Lords are right in their conclusion on this part of the Bill at least.

Mr. Hain: I was gently rebuked by my hon. Friend the Member for Ynys Môn (Albert Owen) for being too diplomatic in my introduction, but I reassure him that I have been severely provoked this evening by the Opposition's contributions. The hon. Member for Chesham and Amersham (Mrs. Gillan) seems to question the Salisbury convention. She seems to pay no attention to that convention, under which, for generations, the unelected House of Lords defers to a manifesto commitment of the governing party in the elected House of Commons—a point ably made by my right hon. Friend the Member for Torfaen (Mr. Murphy). She seems to dismiss this. I do not know whether it is a new Conservative party policy—a party that had just 30 per cent. of the vote—that the House of Lords should be able to trample over all the manifesto commitments of the governing party, elected by the people to form the Government of this country. I disagree with her, because therein lies a recipe for constitutional confusion.

Mrs. Gillan: It is not a question of rubbishing, ignoring or talking down the Salisbury convention; it is just that the right hon. Gentleman has done a deal with the Liberal Democrats, so the arithmetic adds up in his favour. It is as simple as that.

Mr. Hain: I would have been happy to do a deal with the hon. Lady, if she had shown the same support for the principle of devolution in the Bill as the Liberal Democrats, who in particular have the interests of Wales at heart, rather than the interests of narrow party concerns. I am surprised that she refers to us dumping manifesto commitments. The Leader of the

[Mr. Hain]

Opposition almost daily dumps commitments from the election manifesto on which he and the hon. Lady were elected just over a year ago.

Mention has been made of Ukraine. The truth is that this issue has become controversial right across the globe, from Canada to New Zealand, not simply Ukraine. That evidence has been given at length in earlier debates in the House. I am asked for evidence. In the interests of brevity, I did not quote the evidence because it has all been quoted before, but I have a fistful of quotes and evidence, from Lord Carlile of Berriew, the former leader of the Welsh Liberal Democrats, speaking in the House of Lords on 15 June, and from Lord Richard, the chair of the Richard commission, in testimony to the Welsh Affairs Committee on 25 October. This is about Wales, but mention has been made of Scotland, so let us look at Scotland. The former Liberal Democrat Presiding Officer of the Scottish Assembly castigated the abuse of the system, saying that it had been thoroughly abused, and that was despite the code of conduct in Scotland, which we do not have in Wales. I could carry on providing all the evidence: there is the evidence of the chief of staff of the Scottish Liberal Democrats andof the leader of the Assembly Conservative group, on 14 June and again on 15 June. I could also quote some academic evidence.

6.45 pm

Mrs. Gillan *rose*—

Mr. Hain: I just want to carry on with this point. A fistful of evidence has been presented during the debates in both Houses, but particularly in this House. I do not want to detain the House by repeating it all, although I am happy to do so if provoked. I do not know whether the hon. Lady wants to provoke me.

Mrs. Gillan: I am certainly not trying to promote the Secretary of State, who is clearly struggling. [HON. MEMBERS: "Promote?"] No, provoke. I certainly would not want to promote him, although I think that he would like to promote himself. The right hon. Gentleman made some obtuse remarks about what is happening in other countries. In Italy and Denmark, and in some regions of Germany, double candidacy is expressly required, and candidates have been permitted to run both in constituencies and in lists in Germany, New Zealand, Japan, Hungary and Russia, all of which have had mixed Member systems running since the 1990s. Therefore the throwaway line that the system is not used in other countries is not entirely accurate, and that is from the Electoral Commission's report.

Mr. Hain: The hon. Lady obviously did not listen to what I was saying. I said that the issue had arisen and that great concern had been expressed right across the globe.

Then the hon. Lady asks where in Wales the concern has arisen. I will tell her. I, and my hon. Friend the Under-Secretary, and my right hon. and hon. Friends, have had meetings up and down the country. At those meetings there was more burning anger among the public on this issue than on anything else. There was strong feeling about the need to put the voters in charge. That is the fundamental democratic principle at stake here.

David T.C. Davies *rose*—

Mr. Hain: I will give way in a moment.

The voters should be in charge. If the voters kick somebody out in the constituency, why should that person pop up on the list and be elected? That is not the voters in charge; that is the party manipulating the system. In almost every case, those whom voters rejected in the constituencies in 1999 and 2003 popped up on the regional lists. That is why we are asserting the basic principle of parliamentary democracy that the voters are boss. If the voters reject somebody, they should not be elected by the back door. People do not understand how on earth that can happen and that is why we are correcting this widespread abuse. I say abuse, because it is not just a matter of principle, it is the fact that time and again we have seen regional list Members abusing the system by coming into constituencies claiming to be the elected Members for those constituencies when they are not. A Plaid Cymru Assembly Member has presented a dossier on how to manipulate the situation in the interests of her party, and that has been referred to at length in the House. I could go on and on, so I will allow the hon. Member for Monmouth (David T.C. Davies) to intervene to provoke me further.

David T.C. Davies: Many of us here are astounded that at these many meetings that the Secretary of State attended there was so much anger about a proportional representation voting system, yet nobody mentioned the health service, the council tax or the lack of dentists. He said that there was more anger about this matter than anything else. Is he living on the same planet as the rest of us?

Mr. Hain: The hon. Gentleman is a vocal but junior Member of the House. I was talking about consultation on the devolution Bill, on what should go into it, on the policy that should fulfil our party commitments following the Richard commission's report. At those meetings, people wanted to discuss the detail of what might transpire in a Bill to follow the recommendation of the Richard commission, which would command support across the House. That issue was one of the most strongly felt—indeed, there was bitter anger up and down Wales. Look at the situation in Clwyd, West, where the sitting Labour Member defeated all the other candidates, who all got elected nevertheless.

As my hon. Friend the Member for Ynys Môn has said, the Labour party will be equally hit by the provision, which will not benefit any party in particular. When we asked for evidence of how it could possibly benefit the Labour party, the hon. Member for Monmouth and others changed their tune and began to talk about perception. We want evidence: where is the evidence that the Labour party could benefit by putting the voters in charge?

I am grateful for the support of my hon. Friend the Member for Islwyn (Mr. Touhig), despite the fact that he has never pretended to be an enthusiast for more and more powers for the Assembly. He has worked with me honourably and with great influence in framing the Bill, for which I am grateful. I secretly sympathise with his advocacy of a first-past-the-post system, but if we were to introduce one in this Bill, we would hear even louder complaints of abuse.

Lembit Öpik: If the Secretary of State and the Government are so concerned about giving voters a choice, will they consider creating open lists? That would allow the electorate to vote for an individual rather than a party that then appoints an individual. Without being party political, that would be a rational and reasonable step forward, although I accept that it is not included in the legislation that we are discussing today.

Mr. Hain: No; I do not agree with the hon. Gentleman and do not propose to introduce such a provision at this late stage, especially given the consultation across Wales.

In conclusion, the basic point of the Government's position is that the voters should be in charge, not the parties, and that losers should not become winners. Why are the Opposition parties so scared of having to make a choice between standing in a constituency or standing on a regional list? The voters expect candidates to make that choice, and the integrity of the system will be increased by it, especially because at least six sitting Labour Members will be "penalised"—if that is the word—along with other party members. In my view, however, no one will be penalised; indeed, I think that the voters will win.

I welcome the point made by Lord Elis-Thomas, the Presiding Officer of the Assembly, who has said that the argument has been won—he has recognised the reality—and both former leaders of Plaid Cymru have made the same point. We need Royal Assent for the Bill before the end of the Session, and I hope that nobody will seek to frustrate that ambition and that the Government's position will be carried tonight.

Question put, That this House disagrees with the Lords in the said amendment:—

The House divided: Ayes 294, Noes 213.

Division No. 291] **[6.53 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez
 (Hastings and Rye)
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne

McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Dave Watts and
Mr. Michael Foster

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Cameron, rh Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Dunne, Mr. Philip
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Ruffley, Mr. David
Russell, Bob

Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Evennett and
Mr. Simon Burns

Question accordingly agreed to.

Lords amendment disagreed to.

Clause 94

LEGISLATIVE COMPETENCE: SUPPLEMENTARY

Lords amendment: No. 17.

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I beg to move, That this House disagrees with the Lords in the said amendment.

Madam Deputy Speaker: With this it will be convenient to take Lords amendments Nos. 21 and 22 and the Government motions to disagree thereto.

Nick Ainger: The amendments would limit the effect of the powers to make retrospective provision in Orders in Council under clauses 94 and 150, or in an order under clause 149.

The power in clause 94 is necessary to correct legislative competence retrospectively when that would give proper effect to the intention of Parliament and the Assembly, when not to do so could leave the law in an unclear state, or when it could be detrimental to third parties if that was not done. If the provision is used, it is likely to be to correct a technical defect.

Clause 150(4) follows the model of sections 107 and 114 of the Scotland Act 1998. As Lord Evans of Temple Guiting pointed out on Third Reading in another place, it was necessary to make provision under those sections of the Scotland Act when it transpired that a provision of the Regulation of Care (Scotland) Act 2001 was considered to be beyond the legislative competence of the Scottish Parliament.

The Bill provides that any provision of a measure that is outside the legislative competence of the Assembly is not law. If another Act made provision referring to that measure, it might be necessary to amend that other Act as if it had never referred to the ultra vires provision of the Assembly measure. As the Scottish example shows, that will happen rarely, but the provision may well be needed.

The relevant provision in clause 149 relates purely to consequential amendments. For example, the Secretary of State might need to amend a corresponding reference in Northern Ireland legislation, which the Assembly could not do.

The Lords amendments intend to ensure that such provision can be made only if it is not to the detriment of those who have either benefited from or acted in reliance on the law before such an order was made. The Opposition case for that is based on an argument that the power could be used to reverse the effect of court decisions and infringe individuals' rights. That concern is clearly important—no one in the House wants the rights of individuals to be arbitrarily abridged. However, I cannot envisage circumstances in which that would be allowed to happen. The safeguards that the Bill already includes would prevent it.

First, the Secretary of State would have to act consistently with the Human Rights Act 1998. Secondly, such provision cannot be made at the whim of the Executive. If any attempt were ever made to abuse such a provision and use it in a way that was detrimental to the rights of individuals, Parliament could block it. All Orders in Council under clauses 94 and 150 and orders under clause 149 that amend primary legislation will be subject to full parliamentary oversight.

The power to make retrospective provision exists primarily to allow technical points to be tackled. Let me make it clear that the Government would not make an order that retrospectively altered a court's decision. If a future Government were to try to do that, Parliament would block it.

Mr. Dominic Grieve (Beaconsfield) (Con): What the Under-Secretary said is not the same as the comments of Lord Evans of Temple Guiting in his letter to Lord Kingsland. The letter stated that he would not move goalposts by seeking to change retrospectively the law on which a case was based while it was before the court and without the leave of the court. That is not what the Under-Secretary said. He went much further a moment ago. He said that if a court decision were to go against the Assembly or the Government, there would be no question of changing it retrospectively. Those are two different things. It is important for hon. Members to understand which we mean.

7.15 pm

Nick Ainger: Let me continue with my argument. Such a provision would never be used retrospectively to amend a court order, although it could be used, depending on the circumstances, to deal with the results flowing from a court's decision. I hope that that deals with the hon. Gentleman's point.

The Government do not envisage the power to make retrospective provision being exercised except in very rare cases. While I understand the thrust of the amendments, there are sound reasons why the Government cannot accept them. There could be public interest considerations in favour of making

[Nick Ainger]

retrospective provision. It is not right that the Government should be prevented from taking the public interest into account in making legislation. Furthermore, the amendments are technically defective and would render the provisions that relate to retrospective provisions inoperable.

Mr. John Gummer (Suffolk, Coastal) (Con): As a Minister, I always found that when civil servants said, "Minister, you have to do this because there is a public interest requirement," it was usually because they could not think of anything else. Will the Under-Secretary give us a practical example of when the public interest was so important that it necessitated what appears to many of us to be an unacceptable change?

Nick Ainger: Yes, I can give an example. Let us imagine that both Houses of Parliament agreed a measure that related to a position following a public inquiry into the construction of a bypass. If, after compulsory purchase orders and payments had been made, a defect was found in the legislative competence, it would be in the public interest retrospectively to set the record straight in legal terms to allow the payments that had already been made to be retained, and no claims to be made against the individuals who had received the money from the compulsory purchase. That would enable the bypass to go ahead in the public interest, and not to the detriment of the individual who had received funds from the Government in exchange for the land. That is an example of the public good benefiting from retrospective legislation such as that for which clauses 94 and 150 provide.

It is impossible to identify with certainty all persons who could be in any way detrimentally affected as a consequence of such an order before it was made. It would therefore never be clear whether an order could lawfully be made, even if there were an overwhelming public interest in making it. I therefore invite hon. Members to reject the amendments.

Mr. Grieve: I am grateful that the Under-Secretary acknowledged that the clause, which was amended in the other place, raises serious problems. It is not common practice for the House to pass measures that can apply retrospectively. Retrospective powers enable the Government to interfere with private rights in a way that is contrary to the principles of the rule of law in this country. For the Under-Secretary to claim that the provision is simply a balancing exercise under the Human Rights Act 1998 is an inadequate response.

The Human Rights Act might be a basic safety net to deal with certain Governments who do not have democratic practices or who have had them only for a short period and do not enjoy the principles of the rule of law, but it does not replace the rule of law. Private legal rights operate because the rule of law says that they do, and because the judges say that they do. Sometimes, we have had to face the fact that the people who benefit from those rights appear to be remarkably undeserving of them. We have, for example, had debates about lords of the manor who have enforced a form of blackmail in respect of rights of way over common land until a court judgment removed them. However, no one in their right mind ever suggested that that entitled Members of Parliament to remove those people's rights retrospectively, thereby depriving them of a financial advantage.

The Government are contemplating a measure that is being introduced with a desire to rectify technical omissions—I fully accept that that is their intention—but that could have the unintended consequence of depriving someone of a private legal advantage, because it will be applied retrospectively. There is no suggestion in the proposals that any compensation would be made to a person who was thus adversely affected.

This matter was raised in the other place, and Lord Kingsland, who was speaking for the official Opposition, suggested that these clauses should be removed altogether. However, he was mindful of what the Government were trying to achieve. The amendments that were eventually passed therefore sought not to remove the retrospective power but to limit it by saying that such an order could be made, provided that it was

> "not to the detriment of those who have either benefited from or acted in reliance upon the state of the law before the retrospective Order is made".

As an issue of principle, the Minister cannot possibly contend that that is an unfair provision. He might, however, say that the proposal would have the consequence of making it impossible to pass such a retrospective order. I can see his point. If that is his problem, however, he is going to have to find a way of solving it, either by specifying that anyone adversely affected would be entitled to full compensation or by some other method. It is not good enough simply to say that there will be a balancing exercise and that the measure would be used only in cases where the public benefit appeared overwhelmingly to outweigh the private advantage.

Private law and people's rights under the law are not about the balancing of public rights with private advantage. Private advantage has complete supremacy. The principle under which we operate in this country in maintaining the rule of law is that if we interfere with someone's private rights, as specified in the Human Rights Act and the European convention on human rights, we must pay them compensation for doing so.

I am really troubled to read the Government's approach to this matter. In the letter that Lord Evans of Temple Guiting wrote to my noble Friend Lord Kingsland, he said, with reference to the point at which the provision would kick in:

> "The Secretary of State would have to consider any action carefully for its compatibility with human rights. He would not move the goalposts by seeking to change retrospectively the law on which a case was based while that case was before the court and without the leave of the court."

That is why I picked up the Minister's comment that the Government would not seek retrospectively to alter a court judgment. When I challenged the Minister on that, he started to back off a little. He left me with the distinct impression that the Government might choose to act retrospectively, before a case came to court, to prevent a person from exercising his legal rights and to challenge an order that had been made. He also left me with the distinct impression that there might be circumstances in which, notwithstanding a court judgment, the Government would still seek to apply the provision retrospectively.

Mr. Gummer: Did not my hon. Friend hear the explanation that the Minister gave as an example of when it would be suitable to use this power? When he gave that example, he showed that the Government would be judge and jury in their own case. It would be for the Government to decide whether the use of the power would interfere with a person's private rights, and they would make that decision on the basis of their own convenience. The Minister tried to dignify the measure by talking about public value, but what he meant was the convenience of the Executive.

Mr. Grieve: My right hon. Friend is exactly right. This is what troubles me so much about the measure. Lord Evans of Temple Guiting's officials had clearly advised him very carefully when he wrote that letter. He expressed himself in terms so precise that, when Lord Kingsland looked at it, he said that he was wholly dissatisfied with the answer. The Minister has gone slightly further, but my right hon. Friend is correct. What the Minister is actually saying is that the Government will decide, when balancing the considerations involved, whether a private right would be interfered with. That must raise the possibility that, as long as the Government did not think that the private right interfered with was too serious a matter—so it might slip outside the ambit of the European convention on human rights—they would still feel justified in going ahead and applying the provision retrospectively. I am very happy with the ECHR, but it is simply a safety net in this context. Our practice in this country is not to allow such things to happen. Indeed, it would be quite contrary to every legal principle to let this occur.

I am fairly unsympathetic to the principle behind all this. I have to be honest about that. I believe that government by statutory instrument is riddled with problems such as these, and an Order in Council is no different from a statutory instrument; it just involves different wording. The reality is that Wales is going to be governed by Order in Council—a practice that I regard as absolutely abominable and an offence to every principle that we have in the House.

If the Government go ahead with this measure, I foresee that they might need to address certain problems. May I suggest to the Secretary of State and the Minister, both of whom are in the Chamber, that if they want to get this provision on the statute book but do not like the form of words that the Lords have come up with, they should make a clarifying statement to make it absolutely clear that if it is established that private legal rights are affected retrospectively in any way, the person affected will be entitled to redress. Without that assurance, I will remain profoundly unhappy about this proposal.

This is a classic example of administrative convenience triumphing over private rights, all dressed up, in good new Labour style, in the assertion that it is for the public benefit. I do not accept that. What is more, the Government know that they are on pretty shaky ground here. I urge the Minister to go away and think again.

In the other place, the Liberal Democrats appeared, to support us on this issue, and I hope that that will remain the case. It was unclear, however, when the vote was called, whether they were really going to provide proper support in that important Division. Some of them said they would support us but did not. I have no idea why that happened. I hope that it is not part of the Lib-Lab pact on this issue, by which the Liberal Democrats have demeaned themselves in the course of the discussions on this important constitutional measure.

We will certainly resist the motion to disagree with the Lords amendment, although I have no doubt that the Government will carry the day. If the Secretary of State and the Minister do not like the form of words that the Lords have used, they should go back and provide proper reassurance when the Bill returns to the other place that the provision will not be left in the form to which they now wish to return it.

Lembit Öpik I am interested to hear talk of a Lib-Lab pact. I presume that the hon. Member for Beaconsfield (Mr. Grieve) is referring to two parties working together in the common interest, just as the Conservatives and the Labour party did when they voted together to take us to war in Iraq. What is going on here, however, is a genuine commitment to furthering democracy and devolution in Wales. I almost said Northern Ireland then, because I saw the Secretary of State leaving the Chamber, no doubt to deal with other important matters.

7.30 pm

Our concern is, to an extent, the same as that described by the hon. Member for Beaconsfield, namely, that retrospective legislation is open to attack on the basis that it can be abused. Something achieved by an individual or an organisation acting in good faith, on the assumption that the law is there to protect them, can be modified by the institutions of Government to favour themselves. That point was made by Lord Thomas of Gresford in the upper House. He said:

> "A person may engage in litigation and say, 'I've won.' Then the Assembly may pass a measure that says, 'No, you haven't, you've lost", because they have retrospectively changed the provision on which his claim rested."

That has been my concern, too, and it may be why the hon. Member for Beaconsfield could see an uneasiness among Liberal Democrat peers during that debate.

No doubt the hon. Gentleman will also have read the further debate in the upper House on this matter and the dialogue between Lord Thomas of Gresford and Lord Evans of Temple Guiting, in which Lord Thomas challenged the Government to clarify two things. I hope that the Minister, by way of intervention or in his concluding comments, will respond explicitly to these points. Lord Thomas's concern was that it had to be underlined that the power would be used only to correct situations in which a measure had been made that was ultra vires through no fault of people acting in good faith and, presumably, within the law. I note that Lord Evans responded that that was correct.

I would like the Minister explicitly and for the record—we know that the record can be used in a court of law—to underline that that is his understanding of the Government's intention, and that it would be utterly unacceptable for the legislation to be used for any self-seeking purposes by an Administration—not Labour, Conservative or Liberal Democrat, but any Administration in the Welsh Assembly.

The second specific concern expressed by Lord Thomas of Gresford related to the question whether the Assembly could use the legislation to remove from a litigant a victory achieved in litigation. Once again, Lord Evans of Temple Guiting underlined the point that it would not be acceptable under any circumstances for the Welsh Assembly Government to reverse successful actions by litigants by using the Bill as a blocking mechanism to change legislation retrospectively. I seek the Minister's assurance—once again, for the sake of the record—that that is explicitly the Bill's intention.

I recognise that however hard we try to close these loopholes, there is a danger of abuse of any legislation. Despite the assurances given to Lord Thomas of Gresford on those two points in the upper House, and in anticipation of the Minister underlining them today, I acknowledge that we are still vulnerable to the abuse of power by individuals in government or whole Governments, should they be so minded. We are talking about a limited insurance policy here, but it is probably the most that we can ever expect when we are discussing legislation.

The hon. Member for Beaconsfield usefully requested that the Minister put on the record some form of words to encapsulate the assurances that we seek. I suggest that one of the best forms of words is offered by Lord Kingsland, who tabled an amendment debated in great detail in another place. It would have inserted the words:

> "provided that such an Order is not to the detriment of those who have either benefited from or acted in reliance upon the state of the law before the retrospective Order is made".—[*Official Report, House of Lords*, 13 July 2006; Vol. 684, c. 840.]

It strikes me that a small modification to that amendment, expressed by the Minister, could be helpful without in any way being detrimental to what the Government are seeking to do.

It would be helpful if the Minister confirmed that the Government want to modify the legislation as they have set out, but also explicitly to require such an order not to be to the detriment of those who have benefited from, or acted in reliance upon, the state of the law before the retrospective order was made. That would be a very helpful clarification. I can see no contradiction between the Bill as it has been put forward by the Government and the intentions as they have been reasonably expressed by the hon. Member for Beaconsfield.

Mr. Grieve: May I point out—the hon. Gentleman may already be aware of this—that that is exactly what the amendments passed in the House of Lords say? They do not seek to knock out the power to make the retrospective legislation; they seek to insert that very form of words. The Minister says that that presents difficulties. The hon. Member for Montgomeryshire (Lembit Öpik) may agree with me that in those circumstances the solution is for the Minister to find a form of words that meets the spirit of what has been said, but does not have those difficulties attached to it.

Lembit Öpik: I said a few moments ago that I was reading the amendment tabled by Lord Kingsland, so the hon. Gentleman and I violently agree that that is the source of my recommendation.

Although I see the force of the hon. Gentleman's argument about the amendment, I have, on reflection, accepted the Government's point that this retrospective latitude is probably, in limited circumstances, desirable and that it could be compromised were the Lord Kingsland amendment included in the Bill. However, I believe that its wording, as a statement of clarification, would be both helpful and consistent with the intent of the amendment. It would not in any way detract from the applicability of the retrospective facility in those areas where it could legitimately be used.

I ask the Minister those three questions—including the two from Lord Thomas's inquiry in another place, which I have recited—and ask whether he is willing to reiterate the words in Lord Kingsland's amendment by way of clarification and reassurance on this reasonable and very specific point, to protect the interests of those who might otherwise be concerned that they would be harmed unfairly by the application of this retrospective facility.

Mr. Gummer: The whole House should be grateful to the hon. Member for Montgomeryshire (Lembit Öpik) for explaining to the world the Liberal Democrat approach to a complicated matter. It is to discuss it in as many ways as possible and to give no hint whatsoever as to how one should proceed thereafter.

There is a real problem in debating whether to disagree with the Lords amendment in that we are debating a virtual Bill. Many of us, although perhaps not all Members on the opposition side of the House, believe that an extension of the powers of the Welsh Assembly is a good thing, but we would wish it to be presented to the people of Wales so that they could make up their minds. All this is a mechanism for trying to avoid asking the people of Wales whether they want what is in the Bill, in case they say that they do not want it. We get to this point and that becomes even clearer, because the Government have now discovered that directing the affairs of a nation by Orders in Council has a number of disadvantages, and there may be occasions when overlapping jurisdictions and particular facts mean that a bit of tidying up is necessary.

I am always worried when Governments present their proposals as modest. I am always worried when they seek to suggest that there really is not very much in the measure—it is a matter of convenience that may be for the national good and those of us who are concerned about the principle of retrospection really should not worry about it.

There seem to me to be three reasons why we should worry very much. First, there is the Government's historic attitude towards retrospection. In two successive Finance Bills, they have introduced retrospection while pretending that it was not retrospection. That leads me to be suspicious when the word "retrospection" comes from this Government's mouth. Secondly, when the Government explained what they meant by the occasions on which they might use the provision, they produced an argument that seemed to nullify their own case. Let me turn to what the Minister said about the road that might have been built and the compensation that might have been paid. It seems to me that the Minister would decide not according to what was in the public interest, but according to what was convenient for the Government. It would be very inconvenient for the Government to have to go through the whole process again, but it might be very good for them because it might stop them getting into that kind of mess again. That is what legislation is about—setting the rules. If one breaks the rules, one should not have a nice little back-door mechanism of letting off the Government. The Government should have to fight their end, like anyone else, and in the course of doing so find that there were matters that were detrimental to private interest, and issues that ought to be taken up. All that would be hidden by this nice little trick, which is used by Government to make their life easier.

Thirdly, if the words of my noble Friend Lord Kingsland are not accepted, that means that the Government will not stand by the content of that amendment. The Government are therefore saying that they might use retrospection when it overpassed the private rights of an individual, as defined in the Kingsland amendment. The Government must deal with that problem. On the one hand, the Government say that they would use such powers only on occasions when that would not affect individuals who would otherwise have been in a different position had the law as they thought it was continued. On the other, they are not prepared to include that provision in the Bill, as that is what refusing to accept the amendment means.

With cunning ingenuity, the Liberal Democrat spokesman has discovered a way through. If the Government say that they believe that the amendment is right, he says that he will be happy. Well, if the Government can say that the amendment is right while at the same time advising the House to vote against it, that seems a peculiar position. I would not advise the Minister to take that line. Only a Liberal Democrat could get himself into that position. Only the party that on one doorstep tells people that it believes in one thing, and on the next doorstep that—

Madam Deputy Speaker: Order. I remind the right hon. Gentleman of the nature of the amendment being considered.

Mr. Gummer: I stand corrected.

I return to the nature of the amendment and repeat that on this occasion the Liberal Democrat advice is that the Government should ask the House to vote against something that the Government say they believe in. That is a remarkable achievement and ought to be emphasised.

Lembit Öpik: I recognise the intellectual genius of the right hon. Gentleman. He and I usually agree in the Chamber. Did he not hear my point about the difference of opinion between us? I suggested that I was persuaded that the amendment, were it adopted, would make the legislation difficult to apply. Therefore, while I am enjoying his contribution—and were we on "Just a Minute" I would give him a point—does he accept that it is a judgment about what works as legislation that causes me to make this suggestion to the Minister? I have no difference of view with the right hon. Gentleman in the intent of his speech and the concerns of the hon. Member for Beaconsfield.

7.45 pm

Mr. Gummer: I am still bemused because the hon. Gentleman is now saying that were the amendment carried, the clause would be difficult to use. He therefore wants the Minister to say on the record that he accepts the amendment, so that, in his language, it could be used in court, but he does not want the Minister to include it in the Bill. If including it in the Bill would make the legislation difficult to use, how would such a statement by the Minister make it any easier to use—or have I missed his point?

Lembit Öpik: Yes, the right hon. Gentleman has missed it. There is no point in pursuing a dialogue with him any further, as it is for the Minister to explain. In my judgment, however, while Kingsland's amendment was a good descriptor of the intent of the legislation, it was not a well-phrased amendment.

Mr. Gummer: I would therefore advise the hon. Gentleman to suggest something different. I suggest that he says to the Minister that he will vote against the Government upholding the amendment unless the Minister comes forward with a promise that he will find another form of words that enables the sense of my noble Friend Lord Kingsland's proposition to be maintained, but without the disadvantages that he asserts are there, about which the hon. Gentleman happens to agree. That would be a convenient way forward.

I have one further comment to make. I do not believe that we should have any possibility of retrospective legislation. Certainly, retrospective legislation by Order in Council and Government fiat is never acceptable, even if it might be convenient. I wish the Government to consider the history of this House and our constitutional arrangements, and I point out that the strength of our defence against retrospective legislation distinguishes us from other countries. For that precise reason, we can say that the rule of law is more firmly rooted here than anywhere else.

The Minister may think that this is a small matter, but it is in fact a most important principle. It would help him and us if he were to promise to produce a better form of Lord Kingsland's proposal so that this issue does not hold up the Bill. I am sorry that the Government produced the Bill and that they did not offer the choices publicly to the people of Wales. Instead, he and others have had furtive back-of-the-room discussions. He promised to do it in that way, however, and I would prefer to have the Bill in those circumstances than not to have it at all. In my view, however, he cannot have the Bill if he wants retrospectivity without protections, as he does at this moment.

Nick Ainger: I note that the right hon. Member for Suffolk, Coastal (Mr. Gummer) is fundamentally opposed to any retrospection in legislation. He also said, however, that the use of Orders in Council was a back-door method, a trick and so on. Let us consider how the process would work in principle.

[Nick Ainger]

Were a measure identified as defective, or being used in a way that was ultra vires, the Assembly would have to propose an order that would come to this place for pre-legislative scrutiny. Once the measure had been scrutinised—I am sure that at that stage any individuals who might be affected by it would make their views known—it would have to return to the Assembly with any suggested amendments. The Assembly would have to abide by the European convention on human rights; it could then send the House of Commons a draft measure which would be debated in both Houses.

Given all those checks and balances, I can assure the right hon. Gentleman that the proposal is intended only to correct any technical defects and deal with any issues that are ultra vires. I can also assure him, as did my noble Friend Lord Evans, that the Orders in Council and the ultimate Assembly measure could not overturn a court decision. I hope he appreciates that.

What concerns everyone—I understand the concern—is the possibility that, in principle, an individual's rights could be affected. Let us consider what has happened in Scotland. Since 1998 this provision has been used once to deal with an ultra vires issue, a technical defect in legislation passed in the Scottish Parliament. That is why we want the clauses to remain as they are.

I hope I have been able to reassure the hon. Member for Montgomeryshire (Lembit Öpik) that the proposal is intended to deal with technical defects and issues that may turn out to be ultra vires, that there is no intention of using the procedure to overturn any court decision, and that the rights of the individual will be protected.

Lembit Öpik: I am grateful for the Minister's reassurance. To save a bit of time, I ask him to confirm that as far as the Government are concerned, the measure must never be used

"to the detriment of those who have either benefited from or acted in reliance upon the state of the law before the retrospective Order is made".

Nick Ainger: I cannot use those terms, because it is not possible to use them. I can only tell the hon. Gentleman that the rights of the individual, about which everyone is concerned, will be protected by the very process of the Orders in Council. People are rightly concerned, but as I have said, the provision has been used only once in Scotland since 1998, and it is intended to deal with technical defects.

I think that we have got hung up on the example given by Lord Kingsland. I do not know whether it is such a good example. I have responded to what he said about a bypass and compulsory purchase. There is no way in which an individual's rights would be overturned, and a demand be made that he pay back the money. The Government and the Assembly will certainly take the individual's rights into account, although there may well be rare occasions on which action must be taken for the sake of the wider public good.

Lembit Öpik *rose*—

Nick Ainger: Let us talk about the reality. The provision will be used extremely rarely, and as I have said, individuals who may be affected will be able to make representations.

Lembit Öpik: I suffered the most appalling attack from the right hon. Member for Suffolk, Coastal (Mr. Gummer), an accidental defence of the Government. I sought no greater reward than a simple clarification using the words of Lord Kingsland. I hope that the Minister will not make me regret my experience of the slings and arrows from the Conservative Benches. I ask him what is so difficult about agreeing to what appears to be a common-sense form of words—the amendment proposed by Lord Kingsland—to reassure us all that the legislation will never be used

"to the detriment of those who have either benefited from or acted in reliance upon the state of the law before the retrospective Order is made".

That is not a difficult question.

Nick Ainger: I think I have given the hon. Gentleman the answer: it will not be used in those circumstances. That is not its purpose. The hon. Gentleman is well aware of the extensive process of consultation with the Assembly.

Mr. Gummer *rose*—

Nick Ainger: I think I have responded to all the points that have been made, and I am conscious of the time.

Question put, That this House disagrees with the Lords in the said amendment:—

The House divided: Ayes 287, Noes 153.

Division No. 292] [7.56 pm

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank

Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fiello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutto[illegible] rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Ian Cawsey and
Huw Irranca-Davies

NOES

Afriyie, Adam
Amess, Mr. David
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Chope, Mr. Christopher
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C.
(Monmouth)
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Dunne, Mr. Philip
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul

Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Horam, Mr. John
Hosie, Stewart
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Peter
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Dr. Richard
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim

Tellers for the Noes:
Mr. Henry Bellingham and
Mr. David Evennett

Question accordingly agreed to.

Lords amendment disagreed to.

Lords amendments Nos. 21 and 22 disagreed to.

Clause 103

PROPOSAL FOR REFERENDUM BY ASSEMBLY

Lords amendment: No. 18.

Mr. Hain: I beg to move, That this House disagrees with the Lords in the said amendment.

This amendment removes the Secretary of State's discretion over how and when to lay a draft referendum Order in Council before Parliament if the Assembly passed such a request on a two-thirds vote. The purpose of clause 103 is to ensure that the Secretary of State responds to a request from the Assembly within a proper time scale. It is right that such a request cannot simply be sat upon.

The effect of this amendment, however, would be to compel the Secretary of State to lay a draft order before Parliament within 120 days. I recognise the concern that the Secretary of State—perhaps one less charitable towards devolution than I—should not be able to obstruct the will of the democratically elected Assembly and that for the Liberal Democrats, that is a particular point of principle. I understand that fully. The commitment of the Liberal Democrats to devolution and to primary powers for Wales is long established, and I fully understand the concern that a move to primary powers should not be frustrated by a hostile Secretary of State. I would not support that myself, but of course I am sympathetic to primary powers and always have been. However, if any Government were bent on frustrating the will of the Assembly, this amendment would not be enough to stop them.

A hostile UK Government could always resort to primary legislation. After all, Parliament is sovereign. The real safeguard—I know that the hon. Member for Montgomeryshire (Lembit Öpik) has real concerns about this point—is political. Any governing party in London that sought, arbitrarily or on some point of dogma, to block a decision by two thirds of Assembly Members in Cardiff would pay a heavy political penalty. They would be run out of town, just as the Conservatives were in 1997 for similar behaviour.

I respect the intentions of the Liberal Democrats and others who proposed the change, but I do not believe that this amendment will achieve the desired outcome as effectively as the Bill as it currently stands does. If a Secretary of State were wilfully to attempt to thwart the clear will of the elected representatives of the people of Wales, after a referendum request had been given full and detailed consideration by the Assembly, and approved by at least two thirds of Assembly Members, the consequences would be grave, both politically and constitutionally. There would be a real crisis and the Secretary of State would clearly be in the wrong.

The Government's objection to this amendment is not because we wish to aggrandise the role of the Secretary of State. Nor do we wish to put in place some kind of mechanism for thwarting a two-thirds majority of the National Assembly. Indeed, I do not see a real difference of principle between the concerns expressed in the House of Lords and by the hon. Gentleman and other Liberal Democrats, and the Government's position. It is a question of how to achieve the same end, and we do not think that the amendment is constitutionally appropriate. I shall explain why.

8.15 pm

If an order is to be laid before Parliament, that is properly a matter for a Minister of the Crown. It would not be constitutionally appropriate for the Assembly to be able to force the Secretary of State to lay a draft order before Parliament, regardless of whether the Secretary of State was even ready to do so. The Secretary of State, as a member of Her Majesty's Government, cannot be accountable both to Parliament and to the Assembly. The Secretary of State—for that matter, any Minister of the Crown—is accountable to this House and to Parliament. He cannot at the same time be accountable to an Assembly. That is the clear issue at stake. However, the intention of this provision is not to create a new roadblock. As I have said, the Secretary of State would be likely to face irresistible pressure to lay the Order in Council. Nonetheless, the Government believe that it is important to maintain proper lines of constitutional accountability.

There are also genuine practical reasons why the Secretary of State should not be constrained to lay a draft order within 120 days. He or she would still have to comply with the requirements of clause 102 before doing so, including the preparation of the draft order itself and a statutory consultation—a point made very persuasively by my right hon. Friend the Member for Torfaen (Mr. Murphy). The draft order would have to be laid before the Assembly before it was laid before Parliament. The amendment would leave no scope whatsoever to alter that time scale, should it not prove possible to complete all those steps within 120 days. The amendment does not take account of those practical considerations, of the requirements of clause 102 or of the obvious point about parliamentary sovereignty and accountability. I repeat that the Secretary of State is accountable to Parliament, not to the Assembly, although I would certainly want to act in keeping with the wishes of a two-thirds majority of the Assembly.

Lembit Öpik: I have listened to the Secretary of State's comments with great interest and I acknowledge that he is genuinely attempting to acknowledge the concerns as highlighted by my Liberal Democrat colleagues in the other place and others. To an extent, his remarks have been reassuring and helpful. However, he has not answered the underlying question. Why not give the full authority to call and plan a referendum to the Welsh Assembly? Why does the Secretary of State need to have any role in that procedure? I understand that this Secretary of State thinks that that is necessary, but I would be interested to know his rationale.

Mr. Hain: I am grateful to the hon. Gentleman for his intervention and I appreciate the open-minded and constructive way in which he has sought a resolution to this and other outstanding points in a way that will allow the Bill to receive Royal Assent by the end of next Tuesday. If primary powers were to be granted, it would be by decision of this Parliament. The Assembly cannot grab the initiative. It is for Parliament to decide whether it is right for the Assembly to have primary powers. I hope that all parties will help the Bill to receive Royal Assent through their response in the House of Lords next Monday and that they accept the principle that Parliament cannot accept the decision on calling a referendum to trigger the primary powers—a fundamental step—being taken by anyone other than this House and the House of Lords.

I am trying to be as helpful as I can be to the hon. Gentleman, because he has sought to improve the Bill, not to block it or wreck it, in great distinction from the behaviour of the Conservative party throughout its progress.

Frankly, it would be an act of utter folly for anyone in the Secretary of State's position to attempt to obstruct the will of the people of Wales. Welsh voters simply would not tolerate it. Even a sceptical Secretary of State—we had plenty of those before 1997—would find it impossible to ignore such a request from the Assembly. The Government of the day would have to give the request the most sympathetic and serious consideration and ultimately, in my view, support. But it cannot be a rubber-stamp decision, for the constitutional reasons that I have explained.

Mr. Touhig: I am following my right hon. Friend's argument. Will he confirm that, under our constitutional arrangements, the Assembly cannot require this House to pass legislation? The Assembly may request that, but, at the end of the day, this Parliament of the United Kingdom holds the ultimate responsibility for law making in this land and only this Parliament can grant full powers to the Assembly.

Mr. Hain: That is absolutely the case. I agree with my hon. Friend. I could not have put that better myself. That is the point that I have been seeking to make.

I want to make a secondary point. Let us also remember that it will still be for the Secretary of State to consult on the draft order before the Assembly can vote on it. That is the sequence in which things happen. After an Assembly request, a draft order would be drawn up, and then the Assembly would consider the draft order and vote on it. It could be highly significant if it turns out that the Assembly itself is not happy with the content of the order. It will have started the clock ticking under the amendment—120 days—and be unable to stop it, even if there was a process of interaction between the Assembly and Westminster on the detail of the order. The way in which we have framed things at least offers a sensible consultation process that could prove crucial in the final forming of the referendum, its wording and the process of the vote.

Lembit Öpik: The Secretary of State is right to say that, throughout, the Liberal Democrats have sought to improve the Bill rather than to block it, and it is in that context that we have had the dialogue. In the context of what he is saying now, will he accept and register the fact that we still feel unease because we cannot be guaranteed that any future Secretary of States for Wales will necessarily be sympathetic to the referendum? How can he feel confident that the arrangement that he has constructively laid out will nevertheless not offer an opportunity for, for example, an anti-devolutionary Conservative Secretary of State for Wales to prevent the referendum from taking place, given that he is not giving us a time-limited period by which the Secretary of State must necessarily have laid the referendum before the House?

Mr. Hain: The resolution of that problem does not lie in the Lords amendment, because even if the Lords amendment were carried, the Assembly could not compel Parliament to do anything. In the event of, as

[Mr. Hain]

the hon. Gentleman puts it, an anti-devolution Conservative Secretary of State—I suppose that there might be one of those creatures around in the future—wanting to do that, there would be an almighty constitutional bust-up. It would not be in Westminster's interests, and I do not even think that it would be in the interests of an anti-devolution Conservative Secretary of State, to behave in that way. It would cause a real conflict. If a Conservative Government were determined not to grant primary powers despite the Bill, and not to call a referendum, that would be a political battle that had to be had. That relates to the point made by my right hon. Friend the Member for Torfaen. Despite the clear route map that the Bill lays out towards primary powers via a referendum—when it gets Royal Assent, that will be on the statute book—if a hostile Conservative Government, who were never going to give Wales or the Welsh Assembly what they wanted in those circumstances, were determined to stop that, Parliament would be sovereign. However, that would create not just the constitutional crisis that I described, but a political crisis for the Conservative party that would be extremely damaging to its future prospects in Wales.

Mrs. Gillan: I grateful to the Secretary of State for giving way, because he is having his love-in and his little backroom deal with those on the Liberal Democrat Front Bench—*[Interruption.]* I am certainly not jealous; I do not want to be catching the Secretary of State's germs by getting that close to him—[Hon. Members: "Oh!"] Well, I feel sorry for him. He is not feeling well, you know. Notwithstanding all those silver-tongued words and the ridiculous picture that is being painted of an anti-devolution Conservative Secretary of State for Wales—I am glad that he acknowledges that there is going to be a Conservative Secretary of State for Wales—the issue with the amendment is all about his having proconsular powers so that he can control the timing of any referendum that is given to the people of Wales. Is that not the fact of the matter? If we do not allow the Lords amendment to go through, it means that he can act as the lord and master of Wales, calling the referendum whenever he wishes. That is the truth of the matter, because, of course, he and the First Minister and the Welsh Labour party are not in the business of calling a referendum that they may lose.

Mr. Hain: I find that the most extraordinary of the contributions that the hon. Lady has made during the debate. She is somehow setting herself up as the defender of the Assembly against a reactionary Secretary of State—if we were talking about a Conservative Secretary of State for Wales, we would have a reactionary Secretary of State by definition. To set herself up somehow as a champion of the Assembly against the rights and necessities of parliamentary sovereignty defies reason. I will not even attempt to respond any more, because she is smiling away—she does not really believe what she said, any more than anybody else does. The way that she has behaved, which I regret, right the way through the course of the Bill is to seek to frustrate it at every point and to seek to oppose the greater devolution of power to the Welsh Assembly. I am proud of what the Bill does in relation to the greater devolution of power. I am also proud that it offers the prospect of primary powers for the Welsh Assembly if a referendum triggers them. If a referendum does that, there will be primary powers.

Mr. Paul Murphy: The Secretary of State has made the constitutional points extremely well and I agree with him. But does he agree that there is a political element to this matter, too? Any decision to go ahead with the referendum to seek primary powers for the Assembly would have to be the result of political consensus between the Government, Parliament, and the Welsh Assembly Government. That is important, as is any vote in the Assembly. The Assembly on its own does not reflect completely the views of the people of Wales, because we have a role in that as well as Members of the House of Commons. The political reality would be that there would have to be an agreement and a consensus between Parliament, Government and the Assembly.

Mr. Hain: Again, I could not agree with my right hon. Friend more. He is absolutely spot on. The proposal in the Bill—but certainly not the amendment—would require active partnership between the Assembly Government and the United Kingdom Government. In a sense, it requires that—rather than an Assembly elected at a different stage in the electoral cycle ending up, as it were, being able to instruct this Parliament, which is elected at another stage in the electoral cycle.

I think that we are seeing much fuss about nothing. Given the clear assurances that I have given to the hon. Member for Montgomeryshire, I hope that the House will not divide on this matter and will accept the principles of the Bill and see it as a tremendous advance for Wales that will settle the whole issue for generations to come. Then, instead of constitutional matters, we can get on with debating better housing, better jobs, better health services, better education and all the other things that concern the people of Wales in their daily lives.

Mrs. Gillan: If there is a commitment to devolution, it is necessary to ask why the Secretary of State would want to exert a power of refusal that would put him on a collision course with the Assembly of the day about the very powers that his Government have brought forward. The Government's spokesman in the Lords, Lord Davies of Oldham, said that this was not an issue of seeking to aggrandise the Secretary of State, but that is the effect of the power and everyone in the House knows it.

The power allows the Secretary of State both to delay and to obstruct the Assembly's wishes and process and to remove or delay the ability of both Houses of Parliament to have a say in the matter. After two thirds of the democratically elected Assembly had voted in favour of holding a referendum on part 4 powers, why would the Secretary of State wish to act as a road block to such a provision receiving consideration in the House?

The whole process is fairly tortuous, but as I understand it, if the requisite two thirds of Assembly Members voted to pass a resolution in favour of a referendum, the First Minister would have to give notice of the resolution to the Secretary of State. Within 120 days of that, the Secretary of State must

> "lay a draft of a statutory instrument containing an Order in Council...before each House of Parliament".

If the order was passed, a referendum would be held to decide whether the part 4 provisions would come into force. However, if the Lords amendment is not allowed to stand, the Secretary of State will be able unilaterally to give notice in writing to the First Minister that he refuses to lay an order and merely give his reasons. The order simply would not have to be laid and the Secretary of State could block the process from reaching Parliament.

8.30 pm

During the debate in another place, Lord Kingsland—*[Interruption.]* Hon. Members should listen to this. Lord Kingsland said:

> "The real shift in power is from this Parliament to the Executive and the Secretary of State."—*[Official Report, House of Lords, 28 June 2006; Vol. 683, c. 1237.]*

And a shift of power it is. The provision places the Secretary of State in a proconsular position over Wales—as the lord and master. It interposes a single member of the Executive between the Assembly's decision and the order resulting from that decision reaching Parliament for a vote. The process certainly does not square with the Government's response to the House of Lords Select Committee on the constitution, in which they said:

> "The Government agrees that this is a matter for Parliament to decide",

because the Secretary of State is placing himself in the dominant position.

The Bill has been characterised by the ingenuity that has enabled the Secretary of State to say one thing in Cardiff and another in Westminster. The provision, like the part 3 powers, gives the Secretary of State the opportunity to say pompously in Cardiff that he is proudly enshrining in legislation for the very first time the possibility of full law-making powers, while saying here that he has put a provision in the Bill to stop a referendum from being held if that does not suit him, or if he does not like the timing. In other words, he is saying here that he will not let the Assembly dictate to him.

Rhodri Morgan—the First Minister—the Secretary of State and Welsh Labour are not in the business of calling a referendum that they are going to lose, so the Secretary of State has taken a power that will allow him to block that. The Conservative party has made the decision to support a Welsh Assembly that works for the people of Wales. We will do that in a straightforward manner, not with weasel-like—

It being three hours after the commencement of proceedings, Mr. Deputy Speaker *put the Question already proposed from the Chair, pursuant to Order [this day].*

Question put, That this House disagrees with the Lords in the said amendment:—

The House divided: Ayes 294, Noes 189.

Division No. 293] **[8.32 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Berry, Roger
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric

Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Ian Cawsey and
Liz Blackman

NOES

Afriyie, Adam
Alexander, Danny
Amess, Mr. David
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C.
(Monmouth)
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Gale, Mr. Roger
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Horam, Mr. John
Horwood, Martin
Howarth, David
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Öpik, Lembit

Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spring, Mr. Richard
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Evennett and
Mr. Henry Bellingham

Question accordingly agreed to.

Lords amendment disagreed to.

MR. DEPUTY SPEAKER *then proceeded to put the remaining Questions required to be put at that hour.*

Lords amendment No. 4 disagreed to.

Government amendment (a) in lieu thereof agreed to.

Lords amendment No. 5 disagreed to.

Government amendments (a) to (d) in lieu thereof agreed to.

Lords amendments Nos. 6 to 9 disagreed to.

Lords amendments Nos. 19 and 20 disagreed to.

Government amendment (a) in lieu of Lords amendments Nos. 6 to 9, 19 and 20 agreed to.

Remaining Lords amendments agreed to.

Committee appointed to draw up Reasons to be assigned to the Lords for disagreeing to certain of their amendments to the Bill: Nick Ainger, Mrs. Cheryl Gillan, Huw Irranca-Davies, Lembit Öpik and Chris Ruane; Nick Ainger to be the Chairman of the Committee; Three to be the quorum of the Committee.—*[Huw Irranca-Davies.]*

To withdraw immediately.

Reasons for disagreeing to certain Lords amendments reported, and agreed to; to be communicated to the Lords.

Public Accounts

8.48 pm

Mr. Edward Leigh (Gainsborough) (Con): I beg to move,

> That this House takes note of the 4th, the 7th to the 9th, the 12th to the 34th and the 36th to the 42nd Reports, and the Second Special Report from the Committee of Public Accounts of Session 2005-06, and of the Treasury Minutes and the Northern Ireland Department of Finance and Personnel Memoranda on these Reports, Cm 6699, 6728, 6743, 6766, 6775, 6789, 6843, 6863 and 6884.

It is a pleasure to welcome Members to the Public Accounts Committee debate, albeit a bit late. In view of the late hour, we should perhaps question whether our procedure in years gone by, when we had an annual debate, was not a better way of generating interest, but we can no doubt pursue that later through the usual channels. I am sure that the debate will be interesting. We will potentially be here until a quarter to midnight—and why not? This is a very important subject.

The last such debate, which took place in January, was considered worth while by Members in all parts of the House. We examined the Committee's work in driving value for money in public services, and the encouraging assurance was received from the Financial Secretary to the Treasury that the Committee would make an important contribution to the 2007 comprehensive spending review. Given its continuing preference for objectivity over partisanship—not something for which this Chamber is generally noted—the incisiveness of our investigations and the quality of our reports, thanks to the help of the National Audit Office, I hope that today's debate will act as a powerful engine for both discussion and change within Whitehall.

The Financial Secretary described as a tour de force the paper on delivering efficiency savings that we published before the last debate, and I understand that it is now widely used in Whitehall. I will quote widely from a report that we published only today, entitled "Delivering High Quality Public Services for all". I hope that it, like the last generic report, will be widely used in Whitehall.

I am of course proud to be the Chairman of the Public Accounts Committee, which is the oldest Committee in Parliament. Until recently, we thought that it was set up by Gladstone in the 1860s, but I have done some research and I found that a Public Accounts Committee met as long ago as the 17th century. For instance, in 1690 the Public Accounts Committee, which, I am afraid to say, was not friendly to the regime of James II—I regret that, as a Jacobite—reported that:

> "The ships built, rebuilt and repaired by these commissioners were fully and well performed, and the buildings and other works by them erected and made during the continuation of the same commission were done with great exactness, sufficiency and frugality of expense in the managery and conduct thereof."

I have searched for a Treasury minute in reply to that excellent report, but I have not found one. I am sure that that incompetence is entirely due to the current Treasury team—three and a half centuries later and we are still waiting for a reply to the PAC report of 1690.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): I rise because the hon. Gentleman mentioned 1690. Is he aware that many of my constituents demonstrate regularly to celebrate an event that took place in that year—indeed, many demonstrate against events that took place in that year—but that none of them demonstrates to celebrate the anniversary of the PAC?

Mr. Leigh: Well, we have obviously failed to make our mark. But of course, we live nowadays in times when venality is not an issue in public life, is it? The Committee to which I referred earlier looked at the affairs of Pepys's friend Richard Cooling, the Lord Chamberlain's secretary, no less, who

> "told us his horse was a bribe, and his boots a bribe; and told us he was made up of bribes…and that he makes every sort of tradesman to bribe him; and invited me home to his house to taste of his bribe-wine."

That is one of the problems that that Committee dealt with.

Given that the hon. Member for Glasgow, South-West (Mr. Davidson) takes an interest in the Royal family, I shall point out another such debate that I found. The Committee took place on the Floor of the Whole House and, according to the journal of the House of Commons,

> "Some expressions were frequently used which seemed to glance at the licence and disorders and extravagant expense of that place"—

the court—

> "not without some reflections which, aimed at the lady"—

I do not know who she is—

> "and the exorbitant power exercised by her and this imperious way of proceeding, confirmed those in their wariness who had no mind to oppose or contradict the party that they would and meant should prevail."

So we think that the Public Accounts Committee has been holding the court and the Government to account for the best part of three or four centuries, and we continue to do so.

For instance, only this year we published 31 reports—at least twice as many as any other Committee—on a range of vital issues since the last debate. We found, to take one example, that as of September 2005, one third of our armed forces were not as ready as they should have been, and we called on the Ministry of Defence to clarify its plans for bringing the armed forces back up to required readiness. A plainly ridiculous situation was also uncovered whereby massive overpayments were an inherent part of the tax credit system. In short, whoever designed the scheme—perhaps it was the Treasury, although I do not know—knew that it would lead to overpayments before they even introduced it. This created a worrying situation for hundreds of thousands of vulnerable families who had to find money to finance repayments.

It has to be said that many people have been helped by tax credits, and I acknowledge that. However, many families have been made sick with worry about the need to pay back money that they do not have money that they have been given and have now spent. With more than £1 billion lost through claimant error and fraud in 2003-04 alone, money is leaking from the tax credit system faster than the water from London's antiquated pipes.

We have also concluded that consular service staff have shown tremendous dedication and determination in helping British nationals in distress, and we pay tribute to them. That is particularly in relation to the nine major overseas emergencies of 2005. In the same report we recognise also the steps that have been taken by the Foreign and Commonwealth Office to improve its emergency plans, especially in the light of its experience during the tsunami, when its call-handling system was overwhelmed.

We are also, I am afraid to say, the Public Accounts Committee for Northern Ireland while Stormont is suspended. We took evidence from the Department of the Environment on the problems that had been developing in implementing a waste management strategy for Northern Ireland. In particular, we took the Department to task for failing to show strong leadership under the greening Government initiative. It responded by agreeing to establish waste reduction and recycling targets equivalent to its Westminster counterparts.

We found again and again that the quality of governance in Northern Ireland has been below par compared to the rest of the United Kingdom. It is a hugely over-governed part of the United Kingdom and perhaps too much emphasis, understandably, has been placed on peace and security, and not enough on good governance. I was talking to a Minister in the Northern Ireland Office this evening, who assures me that that is now changing and that the Department is trying to achieve the same sort of value-for-money targets in Northern Ireland that have been the norm in the rest of the United Kingdom. That is to be welcomed. I hope that the Treasury will keep a close eye on what is happening there.

A number of our findings have reached the very top of the news agenda. Even today, I think that we might be making the news. April was the Committee's highest-profile month given the number of articles published. This was largely the result of revelations regarding foreign national criminals. According to *The Daily Telegraph*,

> "this tale of incompetence has come to light only because of the assiduity"—

those are the words that are written above the door of the Committee's Chairman, apparently put there by Gladstone—

> "of the Commons Public Accounts Committee, one of the few agents of public accountability we have left in our neutered democracy."

My hon. Friend the Member for South Norfolk (Mr. Bacon)—I pay tribute to him—was rightly afforded special praise for his persistent pressing on this issue, not least by Ministers, who congratulated him. The former Home Secretary, the right hon. Member for Norwich, South (Mr. Clarke), was a big enough man to acknowledge the role played by my hon. Friend. When people say that the only route that is worth while in this place is to be either a Minister or a shadow spokesman, they should bear in mind my hon. Friend, who has devoted his parliamentary years to serving on a Select Committee. That shows what can be achieved on Select Committees. We are grateful to him.

Other reports that we have published have received a large amount of publicity. One such report is the cancer plan. Our reports on health are always of great interest. We have produced reports on our railway stations, the Diana fountain and many other matters. How instructive it is in our celebrity-obsessed society that we can waste billions on fraud and error in the Department for Work and Pensions, but if we are lucky our report will reach page 15 of the *Financial Times*. If we talk about a paltry £1 million or £2 million wasted on a concrete memorial in Hyde park, we have wall-to-wall coverage in all the newspapers. That is something that we have to live with.

I have been especially encouraged by the Government's acceptance of the Committee's recommendations. The Department of Health accepted the need to provide all cancer patients with a formal assessment of the support that they need to manage the pain, stress, and anxiety caused by their cancer. The Department for Education and Skills agreed to review the curriculum after we recommended that school lessons be made more relevant to pupils who were reluctant to attend school.

In all, 94 per cent. of the Committee's recommendations were accepted by the Government. I am delighted to pay tribute to the Treasury and the Treasury minutes in ensuring such a high strike rate. But we have to ensure that our recommendations are not just accepted but implemented, and we want to do more work with the NAO on that.

We would not be influential were it not for the quality and dedication of the Committee's members and staff. I pay tribute to Mr. Nick Wright and his colleagues for all the work that they do. I thank those who have left the Committee since the last debate—the hon. Members for Bristol, West (Stephen Williams), for Hemsworth (Jon Trickett) and for Orkney and Shetland (Mr. Carmichael). I also welcome those who have since joined—the hon. Members for Islwyn (Mr. Touhig), for Mid-Dorset and North Poole (Annette Brooke) and for Southport (Dr. Pugh). All the other existing members continue to work hard, to hold the Government to account and they all deserve congratulation, and I give it.

I also pass on the Committee's regards to all its staff and their continuing commitment to the Committee's work, and of course, and not least, to the NAO, whose professionalism and impartiality make our work possible. One of my ambitions in the time left to me serving on the Liaison Committee and chairing this Committee is to see other Select Committees make more use of the NAO. In the past, there has been a tendency for the PAC to be too possessive about the NAO, and we should use it more as a resource to help other Committees hold Government to account, particularly on the estimates and expenditure account side.

The trouble is that the scope of the Committee's work is so wide-ranging that I could just go around a series of disjointed issues, but one issue in particular stands out. As the Government look forward to the 2007 comprehensive spending review, so the debate on the effectiveness of increased spending on public services in recent years gathers pace. This is now central to our democracy, particularly as apparently the two parties are growing closer in ideology and there is more and more emphasis on how to deliver more efficient public services, given the increased resources that are devoted to that.

To contribute to that debate, I want to discuss the extent to which increased investment in public services is meeting what should be the most important test of its effectiveness: its impact on the end user—such an obvious remark, but something that may not always be at the forefront of our minds in political debate. I want to highlight six key ingredients of user satisfaction with public services. They are all very topical and they are all contained in the 63rd report that we published only this morning. Those six key ingredients indicate where public money has been spent well, and where there is still some way to go. They feed, I hope—and I hope that the Minister will respond to this—the Government's fundamental review of public spending priorities.

I start by quoting paragraph 18 of the report. It is a significant paragraph and I hope that the Government take note of it. Bear in mind that this is an all-party report, agreed by 15 Members of the House of Commons. It states:

> "Public bodies also need to consider how the structure of organisations can affect the planning and delivery of services. The public sector becomes more complex as it grows in size, as the commissioning of new projects and services leads to overlap between departments. For example, if a new agency is created to tackle childhood obesity, headed by a government-appointed 'tsar' and equipped with a small office staff, its powers and field of responsibility will overlap with those of other departments, such as the Department of Health, local education and strategic health authorities. As the agency becomes embedded within the overall government framework, its interaction with these other departments will evolve to 'iron out' overlapping provision, but there will nevertheless be a time period in which less-efficient practices occur. The more rapidly the government decides to expand the public sector the more likely this is to occur. Political pressure to establish or expand the public provision of a service as quickly as possible will increase the likelihood of such projects being ill-defined and poorly planned, wasting public money in the process and possibly slowing down improvements."

I particularly recommend that paragraph to the Minister.

Let me quickly go over the tests. First, the most basic requirement of a public service is that it should be accessible, but too often that is not the case. The Committee uncovered a wide geographical variation in the use of National Institute for Health and Clinical Excellence-approved cancer drugs, including those for breast cancer, across the country—again, there was a lot of publicity and public interest. We found that people in some less affluent parts of the country—typically the north—may lose out when it comes to cancer care, because cancer networks in some deprived areas lack comprehensive service plans.

Access to public services can also be affected by complexity in how services are delivered. For example, complicated processes can deter people from claiming benefits. Language is another potential barrier preventing people from accessing public services, but it is an area in which the Government are making progress, which the Committee has acknowledged. Our report on adult literacy and numeracy highlighted progress in reaching those with language needs, thanks in part to the increased Skills for Life budget. There has been progress, but more can be done.

Secondly, once demanded, public services should be delivered as promptly as possible. Failure to do so can cause inconvenience, hardship and disruption, and, at its most serious, put lives at risk. Over the years, the

[Mr. Leigh]

Committee has repeatedly highlighted the importance of getting it right first time in benefit decision making, which means making decisions quickly and accurately to guard against clogging up the system with appeals and revised benefit assessments.

Thirdly, public services should respond to the needs of users, which is obvious but is not always done. Failure to take into account what people want can result in unsuitable services that cause inconvenience, dissatisfaction and, sometimes, hardship for users. To design services around the needs of users, providers must first have a thorough understanding of what users want. Incidentally, all these points are illustrated by practical examples in the report, but there is no time to go through them now.

Fourthly, public services will ultimately fall short of expectations if users and providers fail to communicate effectively with each other. Call centres are one increasingly common way for people to communicate with public bodies, but they are also an increasingly common cause of frustration and dissatisfaction with public services. Our investigation of tax assessment found that some staff on telephone helplines lack the detailed knowledge to respond consistently and accurately to inquiries.

Fifthly, public services need to set and meet high standards. One way to improve the quality of public services is to introduce appropriate incentives and targets. For example, the Committee recommended the greater use of financial penalties to drive up the standard of facilities in Britain's railway stations. I was so appalled by the disgusting state of Market Rasen station in my constituency that I brought my own incriminating photographs to the hearing, where a panoply of highly paid members of the railway establishment were in front of the Committee. My photos of waiting room graffiti captured the squalor pretty well and, although I do not have the photographic genius of Robert Capa or the hon. Member for Great Grimsby (Mr. Mitchell), they made a difference and things have changed. Standards in public services can also be improved by involving public service providers that are capable of meeting the diverse needs of different groups in society.

Finally, even if standards are world class, people will not be happy if services cost what they consider to be too much. As a consequence, providers must publish, publicise and contain costs. And users of services need to know about the costs that they will incur. People must be told how much they will pay when, for example, they contact a public service by telephone. It is also important that money is not wasted. Some money never makes it to a programme's front line, because it is swallowed up in management costs. For example, about one third of Learn direct funding went on overheads in 2004-05, and the Committee urged UFI—the University for Industry—to channel that money towards learners instead.

By outlining the Committee's recent findings on users' experiences of public services—some positive, some negative and some highlighting areas for improvement—I hope that we have contributed to the debate on the effectiveness of increased spending on public services, which is helping to inform the Financial Secretary's work on the comprehensive spending review.

In my final few minutes, I want to move on to explore some important developments in other aspects of the stewardship of public money. In January, the Comptroller and Auditor General issued a disclaimer on the Home Office accounts, which were not only riddled with errors but delivered too late for his staff to audit in time. Such a disclaimer is virtually unprecedented in relation to a great Department of State. It is extraordinary, not to mention deeply concerning, that such an organisation should fail so spectacularly to render its accounts to Parliament.

The Home Office invited yet more accusations of incompetence following the Committee's inquiry into returning failed asylum applicants. The sheer perseverance of the Committee, particularly my hon. Friend the Member for South Norfolk, brought this to light. We not only highlighted a serious immediate threat to the well-being of the public but pointed to what the former Home Secretary was compelled to describe as "a serious systemic failure" in his Department's ability to understand what was happening with foreign national criminals. The Government aim to address the clear need to improve the performance of Departments for their departmental capability reviews. I look forward to assessing those reviews and their implementation in the coming weeks and months.

We welcome the other developments that will give the Comptroller and Auditor General more opportunities to ensure the wise spending of the nation's money. It is encouraging that HM Treasury has asked the National Audit Office to review the economy, efficiency, and effectiveness with which the Financial Services Authority has used its resources when discharging its statutory functions.

We note the progress of the Company Law Reform Bill, which will give the Comptroller and Auditor General the right to audit non-departmental public bodies that are companies. We are pleased to see the continuing progress of the National Lottery Bill, which will finally give the CAG access to the information that the National Lottery Commission holds for the purpose of vetting people involved in running the national lottery.

We always return to the BBC in these debates—and why not? The Committee would like assurances regarding the CAG's access to the BBC and to central Government money channelled through local government. It is with great interest that I note the discussions between the Department for Culture, Media and Sport and the NAO regarding the establishment of a baseline against which to judge the BBC's future efficiency programme. I welcome the Government's recognition that the NAO should have an expanded role in assessing the BBC's value for money, but I urge them to do more to enhance parliamentary scrutiny of the BBC. It is ludicrous that the CAG should not have freedom to select the topics that he wishes to examine. We cannot have a situation whereby what is in effect a public body is spending £3 billion-worth of public money, and the main external auditor on the behalf of the taxpayer—the CAG—has to go cap in hand to the BBC to agree a programme of investigation. He should have the right to go where he wants. As the Government introduce different funding mechanisms for local government through local area agreements, it is imperative that proper parliamentary accountability of these funds remains.

Following the Committee's recent visit to Washington DC, where Congressmen have far more power over appropriation than we do, it is clear that there is scope to improve parliamentary scrutiny of Government spending plans. We wrote as a Committee to the Chairman of the Liaison Committee, the Father of the House, who is also a member of our Committee—I pay tribute to his work on it—proposing that departmental Select Committees devote more time to the scrutiny of expenditure plans. We also drew his attention to the willingness of the NAO to provide support for that. We discussed this in the Liaison Committee last week—I hope that I am not giving anything away—and interest was expressed. The Hansard Society has published a report on the subject, and we have our own PAC report on it. I agree that we will never—or not rapidly—move to a situation whereby we are like Congress, where the President proposes but ultimately Congress disposes, with line-by-line control of the budget.

Nevertheless, there must be some progress towards returning to Parliament's traditional role. I cited the 17th century, when this sort of debate produced a civil war. Nowadays there is virtually no line-by-line scrutiny of the estimates. That is a worrying shortfall in what Parliament's work should be about. If we can provide other Select Committees with more help from the NAO, we will not magically persuade the Government suddenly to give Select Committees line-by-line procurement powers. However, if they can at least set up the processes and have the knowledge, it might be possible for the Government, or a future Government, to start creating more interest in the appropriation procedure and business. Parliament is fundamentally about that and was set up to perform that function.

I have given a brief outline of the Committee's valuable and challenging work in the past six months. I expect our work in the next six months to be just as challenging and, I hope, valuable, with investigations into a wide range of topical issues, including NHS financial management.

David Taylor (North-West Leicestershire) (Lab/Co-op): The hon. Gentleman has led the Public Accounts Committee with distinction, and some of the reports satisfied Parliament about the economy, efficiency and effectiveness of public expenditure in five sixths of the United Kingdom—the country of England. Does he believe that he has adequate powers to focus on the public expenditure that is funded by the generous Barnett formula in Scotland, Wales and Northern Ireland?

Mr. Leigh: I may have personal views, but I am supposed to express those of the Committee. I am told that there is an adequate Public Accounts Committee in Scotland and similar mechanisms in Wales.

Mr. Jim Devine (Livingston) (Lab): The Public Accounts Committee in Scotland is good. When the Conservative party was in power, it introduced the internal market into the Scottish health service. It surprises me that Public Accounts Committee reports do not mention the public sector's purchasing power. There were 32 different prices for cornflakes, and the Conservative Government extended that to beds, bandages and breakages. The internal market in the health service gave the private sector a licence to print money. Does the hon. Gentleman agree that the public sector should standardise its purchasing policies, whether in local government or the health service, for chairs, beds, pens, tables and so on?

Mr. Leigh: Of course I agree. I give the Government credit for setting up the Office of Government Commerce. There has not been time to deal with that vital issue in my few remarks but we all agree with the hon. Gentleman that what he outlines is an extraordinarily important part of saving public money, and that a great deal of progress remains to be made.

In the next six months, we shall consider NHS financial management, the Rural Payments Agency, including the single payment scheme, which had all sorts of problems, and the Child Support Agency. Our distinguished Committee has been a force in ensuring that taxpayers' money is spent wisely and effectively. I commend its work to the House.

9.17 pm

Sarah McCarthy-Fry (Portsmouth, North) (Lab/Co-op): One of the frustrating aspects of the Committee's work is the time lag between our hearing, the subsequent reports and the Treasury's response. In January, when Public Accounts Committee reports were previously debated on the Floor of the House, I found myself, as a new member of the Committee, in an interesting position because I had not participated in any of the hearings on the reports that we were discussing.

Today, however, I have seen the process through with many of the reports, from the initial National Audit Office report, through the PAC evidence sessions, to the publication of the report and the Treasury response. It helps when we see the whole picture. However, it requires an efficient filing system because it is impossible to retain in one's head the burning issues that we discuss at hearings. If one does not keep a good record in notes, the issues can get lost in the mists of time, because we meet twice a week to consider a most diverse range of subjects—unlike other Select Committees, which, as the hon. Member for Gainsborough (Mr. Leigh) said, home in on a specific aspect of a particular Department and spend several weeks delving into minute detail.

We, on the other hand, fly at 30,000 ft, twice a week diving down and swooping back up to move to the next Department and the next subject. Although that approach means that we cover much ground, it sometimes feels a bit superficial. I am pleased that, in the past year, we have spent some deliberative time outside hearings, trying to pull together some common themes. I should like us to do more of that.

Our most recent session, when we reviewed the work programme of the National Audit Office for the next couple of years with Sir John Bourn, was most

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valuable. Our work is a partnership with the NAO. I particularly welcome the new appendix to that report, which looked at the risk factors involved in the various areas that the NAO was considering.

It is easy for us to get on our hobby horses when deciding what issues we shall hold hearings on. We all have our pet projects and our pet Departments. However, our time is limited, and we should prioritise our hearings to cover the areas of highest risk. Time and again, we criticise Departments for not taking a risk-based approach, so it is only right that we too should take such an approach to our work.

While reviewing our work over the past six months, I should like to pay tribute to the Chair of our Committee, the hon. Member for Gainsborough, who has, as ever, been assiduous, courteous and charming in his chairmanship. I would also like to thank Nick Wright for his invaluable help as our Committee Clerk, and all the staff at the NAO.

We have a wealth of reports before us today demonstrating the sheer scope of our work, which reaches into every Department, enabling us to fulfil our function of ensuring that the taxpayer is getting value for money, exposing weaknesses and recommending improvements in the process—but of course not the policy—of government. As a member of the party that is in government, I see my role as that of a critical friend. I of course believe that the policy is right; I therefore have a vested interest in making sure that it is delivered effectively. Because of that, I want to focus on two reports today. The first is the 17th report, "Achieving value for money in the delivery of public services", from which I want to pick up on the theme of complexity, and move on to the 36th report, entitled "Tackling the complexity of the benefits system".

Before I home in on those reports, however, I want to say a few words about the Committee's visit to Washington and Boston earlier this year. Once again, I must thank the Committee staff, particularly Nick Wright and Christine Randall, who accompanied us and made sure that we were all in the right place at the right time, even the hon. Member for South Norfolk (Mr. Bacon), who usually managed to be last. It was interesting to see the different approach taken to financial oversight there. In many ways, that reflected the different structure of a separately elected President and his Executive, who can be in conflict with the separately elected Congress. That is all very different from our parliamentary system, in which the Executive derive their power from their majority in Parliament.

It would not be easy to replicate the financial scrutiny and overview of the American system, but like the hon. Member for Gainsborough, I certainly came away thinking that there could be improvements in the way in which Parliament undertakes financial scrutiny of future expenditure plans. I am looking forward to the responses from the Liaison Committee, the Modernisation Committee and the Public Accounts Commission to the proposals put forward by our Chair for departmental Select Committees to devote more time to the scrutiny of expenditure plans.

I shall move on to the two reports on which I want to focus today. The 17th report, "Achieving value for money in the delivery of public services", is fundamental to our work in the Public Accounts Committee. Incidentally, I believe that the report that was published today is also fundamental, but I understand that it is outside the scope of the motion, so I shall not refer to it. The 17th report is an example of how we have consciously stepped outside our role of diving in from 30,000 ft and tried to draw together wider themes over a 10-year period. We deliberately chose a 10-year period so that the report would straddle different Governments and phases of government.

One of the encouraging things to come out of the report is that the great majority of the Committee's recommendations over the years have been acted on. Despite that, however, it is disappointing to note that lessons do not seem to have been learned across other Departments, as the same themes come through in different reports. Seven factors have been identified as needing greater progress, but I shall concentrate on just three: the lack of adequate project management; the fact that there are not enough pilot schemes prior to implementation; and the need to reduce complexity and bureaucracy.

In our last debate in January, I drew attention to the importance of project management, particularly in regard to Ministry of Defence major projects. That is reinforced in this report, which highlights the MOD support vehicle projects, in which the Department decided to proceed without a formal assessment phase, resulting in a slippage of 19 months. This was not because the Department lacked a proper procedure. The smart acquisition procedures were in place; they were simply not acted on.

There is an example in the report from my own constituency. The Home Office had allocated funding to the Portsmouth Partnership for a CCTV and automatic number plate recognition system in December 2002, but required the funds to be spent by the year's end. The subsequent rushed procurement and lack of testing meant that the new systems were not operational until August 2003. There needs to be recognition at departmental level of the practicalities involved in implementing recommendations on the ground.

When we look at pilot projects we see in many reports that either they have not been used or, if they have been used, lessons have not been learned from them. Pilot schemes are crucial for picking up practical issues that may not be apparent in the design stage, but they are of no use if the results are ignored.

Dr. John Pugh (Southport) (LD): The hon. Lady is being a little unkind to the Government. Why, only today, they have decided on a pilot scheme for home information packs, rather than going ahead with the real thing! Is that not learning a lesson?

Sarah McCarthy-Fry: I quite agree that there are instances of pilot projects working well. There is an example in one of our reports of good practice in the Treasury building project, demonstrating how advance planning can reduce risk. I am saying that there have been instances where pilot projects have not worked very well or where lessons have not been learned. If we look at the potential schemes for individual learning accounts in the Department for Education and Skills, we see that during the pilot stage none of the schemes worked, so a completely different scheme was implemented which had no testing at all and was rushed through, resulting in a system prone to fraud which cost the taxpayer about £67 million.

Moving on to reducing complexity and bureaucracy, we come up against an inevitable tension between the Government policy of targeting public money at those most in need and the inevitable complexity that that brings. Sometimes the complexity and bureaucracy go beyond that tension, and our report highlights the South East England Development Agency in my region, where there were more than 40 different funding streams, each with separate monitoring and evaluation criteria. That led to SEEDA having to set up a brand new initiative just to help applicants wade through the process.

Our 36th report focused on complexity in the benefits system. As I said, complexity is inevitable when one targets benefits as well as preventing fraud and abuse and making sure that public money goes where it is most needed. The immediate response is, "We must simplify things," but as our report points out, simplification is not an easy option, and it means a trade-off with affordability, fairness and targeting. That is not to say that there is not much more that can be done.

Let us consider the letters sent out by the DWP. Our report highlighted the difficulties that people have had with written communications, as well as the fact that nothing has improved much over the past six years. I am sure that I am not alone in having constituents at my advice centre who have struggled through the complexity of applying for the benefits to which they are entitled, only, when they get those benefits, to receive letters that they simply do not understand.

Mr. Sadiq Khan (Tooting) (Lab): Was my hon. Friend surprised by the evidence that we received that potential recipients of benefits which other Departments were implementing would not receive that advice because it was a DWP project, rather than taking a holistic approach, with people attending advice sessions at which they could receive advice from different Departments, which seems the obvious thing to do?

Sarah McCarthy-Fry: I entirely agree, and that need for a holistic approach came through in the briefings that we received from Citizens Advice and the Child Poverty Action Group.

Greg Clark (Tunbridge Wells) (Con): I agree with the hon. Lady that the complexity of the benefits system is to a certain extent inevitable if there is targeting, but one of the consequences is that organisations such as Citizens Advice have a great increase in their work load. Does she agree that it would be reasonable, in introducing changes to the benefits system, to give some resource to the Citizens Advice to enable it to cope with the inevitable increase in its work load?

Sarah McCarthy-Fry: I know from when I was a councillor that citizens advice bureaux get considerable resources through service level agreements with local authorities. They do a tremendous amount of work. We should take note when Citizens Advice tells us of the problems that it has. In 2003-04, citizens advice bureaux dealt with 1.3 million cases relating to benefits and tax credits. Citizens Advice acknowledges that some progress has been made, but says that it is still seeing too many people who are missing out on the money to which they are entitled.

Similarly, the Child Poverty Action Group acknowledges the inherent complexity in targeting benefits, but points out that it is made worse by poor delivery, which the Department can do something about. In our report we highlight the importance of highly skilled, trained staff, and at our hearing I asked the permanent secretary why a human being could not review the computer-generated letters that went out and, if necessary, write an explanation on the bottom in plain English. If a letter lists all the benefits to which one could be entitled, but it actually means that one is not going to get any money, it would be a lot easier to understand if that were written on the bottom.

Of course, the use of IT, telephone and other communication technologies will aid simplification. We must be aware, however, that some people will always need face-to-face advice, and we must make sure that our staff have adequate training to do that.

Greg Clark: Given the importance of preserving that human face, does the hon. Lady share my concern that the savings proposed from front-line staff at the Benefits Agency should not go too far too quickly? We should not throw people on the mercy of a complex computer system without a sufficient number of staff to guide them through that complexity.

Sarah McCarthy-Fry: It is important that we make sure that the IT systems are in place first, but I would be the last to say that we should not make savings and process benefits more efficiently. We must, however, put the user at the forefront. Efficiency savings and simplification must be delivered for the benefit of the user, and not necessarily for the benefit of the Department. The user must come first. Claimants and applicants must get the benefits of the simplification.

The most important outcome of the inquiry into the complexity of benefits is the setting up of the simplification team, which will develop the simplification strategy and then be able to challenge all new policy proposals on the grounds of complexity. At our hearing, I was encouraged when the permanent secretary said that he hoped to come back in one year and show a demonstrable difference in the level of complexity. I was dubious, however, about how that would be possible, when a clear set of performance indicators had not yet been devised. I was not quite sure how that improvement would be demonstrated. Sadly that was borne out in the Treasury response:

> "Because of the difficulties with developing such a measure, the Department cannot commit at this stage to producing one by 2007".

However, I am pleased that the Department nevertheless undertakes to keep the Committee informed of progress.

Measurement of progress brings me back to our visit to the USA. For me, one of the highlights of the trip was our visit to Harvard Business School and our opportunity to debate with four of its professors. It was

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a huge privilege to listen to them. I was especially interested in the concept of the value chain in delivering public services and how, all too often, we are focused just on inputs, activities and outputs, and we forget the next two items in the value chain—outcomes and impacts. I have no problem with targets. I come from an industry background where total quality management was the norm, and one of the first lessons in any quality system, whether Six Sigma, TQM or whatever is fashionable at the time, is that one must be able to measure.

One must have a mechanism to show whether one is meeting one's defined standards. Delivering public services, however, is not the same as manufacturing widgets, and our standard must be more than just the measuring of inputs, activities and outputs. We must also have a means of assessing outcomes and impacts. The difficulty arises because those are often long-term outcomes and impacts, and the Government are under pressure to find ways in which to demonstrate progress quickly.

Yesterday, I visited my out-of-hours GP service, which had failed on a measurement criterion to get overnight reports to the relevant GP by 8 am the next day. One might say that that was fair enough, but the fact that it had extended its service until 8 am and could not get reports to GPs by 8 am because patients were still being treated at that time had not been taken into account. Yes, it had failed on the raw output target, but it was delivering a better outcome.

That brings me back to those Harvard professors. One concluded with a quote from Nietzsche:

> "The most common form of human stupidity is forgetting what we are trying to accomplish".

As members of the PAC, we should keep in mind what we are trying to accomplish. I hope that we will consider outcomes and impacts as well as inputs, activities and outputs when we scrutinise the cost-effectiveness of Government policy.

9.33 pm

Mr. Richard Bacon (South Norfolk) (Con): It is a great pleasure to take part in the debate and to follow the hon. Member for Portsmouth, North (Sarah McCarthy-Fry). I, too, greatly enjoyed the visit to Harvard Business School and would commend it to anyone. I hope that before long the Government also go there and listen to the professors.

My hon. Friend the Member for Gainsborough (Mr. Leigh) referred to my role in the exposure of the foreign national prisoners scandal. I do not propose to say anything about that in this debate, but merely to make one comment about the former Home Secretary, the right hon. Member for Norwich, South (Mr. Clarke). I consciously and deliberately did not call for his resignation over that matter, and I was sorry to see him go. Some may say that his departure became inevitable, but I continue to have a high regard for him and I think that what has happened in the Home Office since then demonstrates that the problems go much deeper than the issue of one Cabinet Minister. I pay tribute to the right hon. Gentleman for the work that he did during his time at the Home Office. "Oops, sorry, I did not mean to destroy your Cabinet career," is not necessarily the most welcome thing to hear from a parliamentary opponent, and that was not my intention. I can only repeat that I have a high regard for the right hon. Gentleman, and I hope that he will continue to make a contribution in this place.

Nevertheless, as was pointed out by my hon. Friend the Member for Gainsborough, there is a serious problem with the Home Office that goes well beyond one issue connected with the immigration and nationality directorate. My hon. Friend said that the Home Office had been unable to present a set of audited accounts to Parliament. There have been the most serious problems possible with the Home Office accounts. They were flagged up in a memorandum from the National Audit Office to the audit committee of the Home Office, entitled "Home Office Resource Accounts 2004-05 Audit Update from the National Audit Office".

I pay tribute to Mr. Darren Box, financial audit director at the National Audit Office, whose persistence caused the seriousness of the problems to come to light. His memorandum to the audit committee states

> "At this stage we are contemplating a disclaimer opinion on the accounts on the grounds that fundamental control failures mean that we are unable to form an opinion on whether the accounts are true and fair and whether expenditure recorded in them is regular."

The memo continues:

> "The accounts display a very limited understanding of how different figures within financial statements relate to one another indicating skills and experience deficits within Accounts Branch.
>
> The accounts showed little evidence of meaningful management review at any level.
>
> With the notable exception of IND, there is no evidence of the accounts production process being subject to any proper project management disciplines.
>
> Issues raised in our previous management letters have not been actioned and appear not to have been disseminated to relevant staff".

Later, under the heading "Control Weaknesses", the memo states:

> "In addition to late and poor quality financial statements, serious control weaknesses have also been identified during the audit. The weaknesses include:
>
> IT Controls: There is a lack of security within key IT applications through the absence of unique identification for system administrators, no audit trails, weaknesses in control over standing data"

and so forth.

The memo adds:

> "Bank reconciliations are the most fundamental of all accounting controls as they enable payment, receipts and cash balances to be validated to an external source and provide assurance about debtor and creditor balances. Due to difficulties in implementing the Adelphi accounting system, the Home Office has been unable to reconcile its cash at bank position".

That bears repetition—the Home Office has been unable to reconcile its cash at bank position.

Bank reconciliations are fundamental. They are an essential control over cash to ensure that income and payments recorded in any organisation's bank account match its accounting records. Matching also provides assurance about debtor and creditor balances—in other words, amounts owed to and by a Department—and can help to prevent and detect fraud and error.

What was worse was that the Home Office had not even realised that failure to reconcile cash fully could ultimately undermine its ability to provide Parliament with fully audited accounts.

The memo goes into further detail about the Adelphi accounting system, stating:

> "A further cause for concern has arisen from our review of Adelphi transaction data. It took six months for the Home Office to supply us with transaction data that we were able to reconcile successfully to the Adelphi general ledger. However, when the gross transaction value of debits and credits within this data was totalled, they each amounted to some £26,527,108,436,994, almost 2,000 times higher than the Home Office's gross expenditure for 2004-05 and approximately one and a half times higher than the estimated GDP of the entire planet. This suggests that something has gone seriously awry...We have yet to receive an explanation for what has happened... Collectively, these control weaknesses expose the Home Office to a high risk of fraud, irregularity, poor value for money and waste in its financial operations."

David Taylor: Given that the Home Office is feeling its way through this incoherent and inaccurate maze of figures that underpin its performance and direction, can the hon. Gentleman suggest why it is so certain that savings that are available under contestability and outsourcing are sufficient to apply those two techniques on a grand scale to the National Offender Management Service?

Mr. Bacon: I do not think that I can. Many of the so-called savings to be found under various aspects of Government efficiency programmes—had we been in office, they would probably have been found under the James committee savings—are very questionable. A different example, with which the Financial Secretary will be only too familiar, is that Her Majesty's Revenue and Customs is busy sacking fraud staff, who were bringing in many hundreds of times their own salary in some cases, in order to meet rather spurious targets. However, I will not dwell on that.

The result of all that activity was that the Comptroller and Auditor General, Sir John Bourn, was unable to reach an opinion on the truth and fairness of the Home Office accounts for 2004-05, so he disclaimed an audit opinion. It is worth explaining what disclaiming means. A disclaimer is not the same as a qualified opinion. We are familiar with the idea of qualified opinions—for example, because of concerns about fraud and error, there has been a qualified opinion on the Department for Work and Pensions' accounts since 1988, which specifies the particular aspects, such as housing benefit fraud, income support fraud or whatever, that are the subject of concern. The same happens with the European Court of Auditors in respect of EU accounts. However, that is not what I am talking about. This is Sir John Bourn, an Officer of the House, telling Parliament that he has no information at all with which to form a view. The accounts were presented to Parliament unaudited.

Irrespective of whether we are talking about a public or a private sector organisation, that is an almost unbelievable state of affairs. It is hard to imagine any private sector organisation—whether it be a golf club or a multinational corporation—for which that would fail to lead to enormous consequences. The Home Office cannot say with any certainty how much it spent during the year, what debts it was owed and what it owed to others or what assets it owns. There is no assurance that all expenditure incurred during the year was in line with what Parliament authorised and financial information provided by the Home Office is unreliable. Those are the most basic failures of financial stewardship and control by the accounting officer who is legally responsible to Parliament to account for how moneys are spent.

In that case, the accounting officer failed in his duty to Parliament and one might have thought that the person responsible would have been hauled over the coals, exposed and brought to the Bar of the House to explain himself. What actually happened, however, was that he was promoted to become Deputy Governor of the Bank of England in charge of financial stability in the banking system, which, if nothing else, at least shows that the people who run the country still have a sense of humour.

What I would like to know is where the Treasury is in all that. The NAO memo goes on to state that

> "late qualified accounts are extremely damaging to the Home Office's reputation, particularly with the Treasury who are likely to exercise closer scrutiny over the unaudited resource budget outturn submitted to them each summer."

What assurances can the Financial Secretary give us about the Home Office's use of public money? Is the Treasury now keeping a close eye on what happens? What supervision regime is now in place? Is there now a Treasury hit squad inside the Home Office helping to sort things out? How often does the Home Office have to report in and tell the Treasury what it is doing? It has been a disgraceful episode and I hope that it is soon sorted out.

I come to the national programme for information technology in the health service. I do so with some trepidation because I see that the hon. Member for Glasgow, South-West (Mr. Davidson) is in his place. The last time I made a speech on this subject—it was some years ago, I can reassure him—he said that he was glad that there were anoraks in this place who were prepared to devote so much attention to such areas and that he was very glad that he was not one of them. I have to say that the problems have not gone away; if anything, they have become worse. The scale of the national programme is simply huge. As the NAO described it:

> "The scope, vision, scale and complexity of the Programme is wider and more extensive than any ongoing or planned healthcare IT development programme in the world."

It started with the beguiling idea that information technology offered enormous potential benefits for the NHS. Above all, patient records could follow the patient smoothly and quickly around the system, bookings could be made online, and doctors could consult records easily in their surgeries and during their rounds. Managers and clinicians could track and report on the work of hospitals and trusts, on the prevalence of clinical conditions and on the success of the health service in treating them. IT in the NHS seemed to offer nothing short of a revolution. However, the problem was that the revolution appeared to be outside the Government's control. System standards were being set at the centre, as they should be, but system procurement was happening at a local and trust level.

Kitty Ussher (Burnley) (Lab): The hon. Gentleman mentioned procurement. Will he join me in congratulating the Department of Health on having secured the cheapest ever deal with Microsoft across the whole world?

Mr. Bacon: The hon. Lady may recall that Sir Peter Gershon, when he was at the Office of Government Commerce, negotiated a deal with Microsoft that saved the taxpayer £120 million. As the hon. Member for Livingston (Mr. Devine) said earlier, there have been serious problems with the public sector failing to exercise the procurement power that it has, and I welcome any steps towards improving procurement and using the purchasing power that is available.

In relation to the national programme—in which Microsoft is not involved, by the way—the system standards have been set at the centre, but procurement has happened locally. The whole process must have seemed terribly slow to those who wanted to make things happen more quickly. That was why, some years ago, the Prime Minister called to a seminar the heads of some of the world's largest IT companies. They told him that there was no problem and that they could design, deliver and install national systems across the entire NHS that would do everything that the most optimistic advocate of health IT could want. Of course, they said it would not be cheap and they quoted a figure of £2.3 billion, but, as the Prime Minister said, up to 600 million pieces of paper would be saved a year.

Thus the national programme for IT in the health service was born and with it a new bureaucracy, Connecting for Health. Promises were made, headlines garnered and giant regional contracts were duly let. However, five years on, where are we? For one thing, the cost of the whole programme has inflated enormously. By 2003-04, £6.2 billion worth of contracts had been placed and, in evidence to the PAC, the director general of IT in the health service, Mr. Richard Granger, told us that the figure is now £12.4 billion. The Minister of State for Health has said that the figure is closer to £20 billion, although there is some dispute about what he is including in that. In any event, those are huge numbers.

David Taylor: Even taking the mean of those projected figures, it suggests an overspend of £12.5 billion, which would fund in total the trust deficits that the NHS is experiencing for more than 20 years, which would take us moderately close to the next Conservative Government.

Mr. Bacon: The hon. Gentleman ends on a very optimistic note, and I join him in that. The fact is that the numbers, as well as being very large, have been very varied. We have heard £2.3 billion; £6.2 billion; £6.8 billion; £1.9 billion of central costs, making a total of £8.7 billion; £3.4 billion of central costs making £12.4 billion; £20 billion; and three to five times central contract costs, which could push the figure to more than £30 billion. The fact that the figures are so vague and varied is part of the problem. The potential opportunity cost is also enormous, as the hon. Gentleman points out.

Dr. Pugh: Apart from the central cost, there is the serious issue of what the programme will cost individual trusts and PCTs. No one will put a figure on that.

Mr. Bacon: The National Audit Office put a figure of £3.4 billion on it, although how much that takes into account the full costs is a moot point. One has only to read the board papers of trusts around the country to see IT directors saying that they are incurring costs that they cannot recover, in many cases including costs that they incurred through the old information for health programme that was stopped when the national programme for IT in the health service was started and costs incurred on legacy systems. No matter exactly what the sum is, it is definitely big. One could say that cost overruns are nothing new; they are regrettable and to be avoided, but they happen. However, surely in return for that vast forecast expenditure we would now expect to be on the way towards a world-beating IT system.

Kitty Ussher: Will the hon. Gentleman explain where, within the scope of the motion that we debating this evening, the report on IT in the NHS lies?

Mr. Bacon: As the hon. Lady will know, we have looked at the national programme for IT in the health service a number of times during the last few years and I dare say that there will be future reports. In fact, the National Audit Office has said there will be other reports on it further down the line. It is a matter of enormous importance to taxpayers and, I am sure, to all members of the Committee.

One of the suggestions that has been made by Connecting for Health is that 750,000 prescriptions have been issued by using the electronic prescribing service. One of the slightly alarming facts is that only 1.5 per cent. of those were received electronically by pharmacies and hence dispensed. The rest of them—some 740,000—simply vanished into the ether, never to be seen or heard of again. The thought of thousands of NHS staff typing pointlessly away is a combination of industry and futility that I find rather depressing to contemplate. The reason for that state of affairs is that, where systems were put in place in GP surgeries, the corresponding systems were not put in place in pharmacies, and sometimes vice versa. That is a relatively small example of some of the problems. There are many others.

Perhaps the most important and difficult component of the national programme is the delivery of patient administration and clinical systems into acute hospital trusts. We should by now have 110 acute hospitals with patient administration and clinical systems in place. The actual number is just 12. Of those 12, how many are clinical systems? The answer is none. Not a single hospital-wide clinical system has been delivered under the national programme.

The choose and book system should allow patients to book appointments with doctors electronically. Almost half of all GP referrals—some 8.5 million a year—are supposed to be made under that system by September 2007, but so far we have only 300,000 bookings. The number of bookings can be found on the Connecting for Health website. What is not on the website, but is true, is that by the Department of Health's own estimate, only about one quarter of the bookings that have been achieved were made truly electronically; the remaining three quarters were made by telephone.

One redeeming feature in this rather grim scene is that most of the forecast cost of the national programme has yet to be spent. So far, total expenditure is about £1.5 billion. That figure of actual expenditure so far was confirmed to the Committee by the director general of IT in the health service. Although £1.5 billion is admittedly rather more than the £654 million referred to in the National Audit Office report, it leaves us wondering what sort of organisation can run up almost £850 million of central administration costs before it has even achieved its main aims. However, it remains true that many billions of pounds have yet to be spent, so it may not be too late to turn back from the road that we are currently on.

That is a crucial point. It is easy to think of NHS IT as a complex and enormously expensive abstraction—as a subject for techies and computer journalists, but not for politicians or the national media. In fact, good IT systems offer enormous benefits to patients and bad ones cause them direct harm. The national programme is therefore an issue of great importance. The US firm Cerner, and its partner Fujitsu, have the regional contracts covering the south of England under the programme. It has recently been reported that Cerner is also to enter into a contract with BT to deliver systems in London after problems with another US software supplier, IDX. The Nuffield orthopaedic centre in Oxford is the only trust under the national programme now using the patient administration system offered by Cerner. I have been shown a board paper from the trust, which shows that the trust failed to meet its waiting list targets because IT system problems meant that it could not identify which patients were waiting for what treatment. The paper, by the director of nursing and operations for the trust, states:

> "the scale of the difficulties and the duration of time that the problems persisted meant that operationally it was impossible to maintain assurance that all patients could be identified to be treated within appropriate timescales."

In fact, the standard of the patient information produced by the software system was so low that all the information had to be checked and corrected manually. In other words, the trust and its patients would have been better off with no electronic system at all.

In Birmingham children's hospital, the patient administration system was provided by the troubled UK firm iSOFT. A series of problems in Birmingham culminated in the trust losing 800 children's records in a fortnight. Some of those children turned up for appointments entirely unexpectedly because their records could not be found, while others were presumably not summoned for appointments that they required. To give one more example, the child health system deployed by BT in London lost so many children's records that the number of vaccinations given to children in the primary care trusts that were even in a position to report any statistics went down by 18 per cent.

Volume 16, No. 25 of "CDR Weekly", the Health Protection Agency's journal, stated:

> "This is the third quarterly report in which national trends could not be reported due to problems with new child health systems being implemented in London. Comparing the year 2005/6 to 2004/5, the number of children in London who are missing from the COVER programme is nearly 18,000 for children turning 12 months, over 14,500 for children turning 24 months and nearly 19,000 for children turning 5 years of age."

The number of children getting vital vaccinations for measles, mumps, rubella, polio and so on fell by a fifth. The Health Protection Agency commented:

> "If new child systems fail to deliver ... then children risk missing out on vaccination. Thus, they remain unprotected and eventually will catch measles, mumps, and rubella infections."

The HPA report continued:

> "Falls in coverage of this magnitude not only indicate that individual children may be at risk, but also represent a potential major public health threat to the control of the diseases in the community."

Those are chilling words. It is extraordinary that no clinical systems have been deployed under the national programme. However, on reflection, given the damage that patient administration systems now seem to be doing, perhaps that is just as well. The implications of similar failures in clinical systems hardly bear thinking about.

Finally, I want to deal briefly with the consequences of the crisis in the national programme for IT contractors. Mr. Granger, the programme's director general, is fond of using blood-curdling metaphors when speaking about IT contractors. He intends, he says, to treat them like huskies—when one goes lame, it is shot, cut up and fed to the rest—apparently, that keeps them keen. However, managing a massive IT programme is not like running a dog sled. I believe that that brand of macho management threatens to bring yet more chaos to an already tottering system.

By the end of March this year, the four major contractors—BT, Accenture, Fujitsu and CSC—had received only £250 million in payments on £5 billion-worth of contracts.

However, their spending in what I believe to be a doomed effort to make the fundamentally flawed system work has been massive. Accenture has wisely already set aside £260 million as provision against losses on the contract, but the remaining three companies have remained strangely silent. By the end of March this year—two and a half years in—BT had received just £1.3 million on its contract of £996 million. My best advice indicates that BT has spent more than £200 million trying to get systems up and running. That amount does not yet figure in its annual accounts. I understand that BT intends to replace its existing software supplier with Cerner, fresh from that company's poor performance at Nuffield. However, that means that most, or perhaps all, of BT's work in progress on the existing contract will need to be written off. We have already seen what happened to the software supplier iSOFT, when shareholders—

Mr. Speaker: Order. I am most impressed by the hon. Gentleman's expertise on this subject, but it does not relate to the matter before us. Although there will be other occasions on which he will be able to raise the problems of the NHS, he must get back to the matter in hand.

Mr. Bacon: Thank you for that guidance, Mr. Speaker. I will rapidly draw my remarks to a conclusion and allow other hon. Members to speak.

The national programme for IT in the health service has been covered by the National Audit Office on

[Mr. Bacon]

several occasions, as I am sure it will be in the future. It is the largest civilian IT programme in the world and a matter of great importance. I hope that it is also of great importance to the Treasury and that the Financial Secretary will find time in his winding-up speech to refer to the interest that the Treasury has in the matter, because the amounts involved are so enormous that they could have huge consequences for the Exchequer, fiscal policy and, indeed, the rest of the country.

9.59 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to take part in this debate and, indeed, to serve on the PAC under the benign and good-humoured chairmanship of the hon. Member for Gainsborough (Mr. Leigh). Like him and my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry), I have looked at the 17th report, "Achieving value for money in the delivery of public services", because every member of the PAC wants the Committee to be effective. We want its work to be used and useful; we want to be sure that lessons are learned and are taken into account in decision making.

The 17th report identified seven key aspects of public service delivery that Departments must target to achieve better value for money: planning carefully prior to implementation; strengthening project management; reducing complexity and bureaucracy; raising public service productivity; being more commercially astute; tackling fraud; and better and more timely implementation of policies and programmes. An example of good planning is the benefit payment card, which is successful as 97 per cent. of benefits are paid directly into people's accounts and claimants are pleased with it. Another good example is the turnaround at the passport agency.

Turning to project management, there have been many complex IT schemes. Like the hon. Member for South Norfolk (Mr. Bacon), I am generally not a fan of IT schemes, but we have become better at running them. As for the need to reduce complexity and bureaucracy, the Committee has returned to the benefits system as we need to reduce tiers of bureaucracy and the number of institutions delivering public services. Public service productivity improvements include a better use of accommodation in the NHS and the higher education sector. The role of the Office of Government Commerce is vital if we are to achieve the goal of being more commercially astute, and after the reports were produced we looked at the issue again. There is a great deal to be done to tackle fraud in tax payments, and in its examination of policies that need to be implemented better and in a more timely manner, the 17th report looked at the Eurofighter and the Apache helicopter.

In considering whether the reports are used and are useful, I looked at the document that the Treasury published last Thursday entitled, "Releasing the resources to meet the challenges ahead: value for money in the 2007 Comprehensive Spending Review". I wished to make a judgment about whether the proposal to save 2.5 per cent. and achieve better administration is credible, because last week there was a great deal of scepticism about that objective and many aspersions were cast on it. The Gershon efficiency programme identified five measures to improve efficiency. Inevitably, they are not the same as the measures identified by the NAO, although there is considerable overlap. For example, the NAO and the PAC said that it was important to be more commercially astute, but the Treasury document looked at procurement practices in general. The NAO discussed productivity, but the Treasury document looked at the importance of increasing the ratio of productive time to total time in the public services. The NAO discussed the need to reduce complexity and bureaucracy, but the Treasury document looked at transactional services policy, funding and regulation. In addition, it urged the importance of reducing spending in corporate services. It reported that in recent years, there have been £8 billion-worth of savings as a result of those five measures. However, I am sure that everybody would be more interested in looking forward, so I wanted to see whether examples of the type given in the document issued last week are likely to produce the sort of savings that would result in a 2.5 per cent. saving year on year overall.

On procurement, the examples given are pulling together procurement for several Government Departments and public bodies. For example, the Foreign and Commonwealth Office and the Department for International Development are to collocate many offices. The Department for Transport will promote collaboration between highways authorities on new build and maintenance. The Department for Education and Skills is piloting e-procurement for schools. Lord Carter's review of legal aid will provide a market-based approach which should produce savings of 20 per cent. over the next four years. In addition to these value-for-money considerations, procurement will need to take account of the decisions set out in the energy review and the need for procurement to be compliant with our climate change objectives in the future.

Turning to productive time, the sort of possibilities spelled out are the major changes in the Department for Constitutional Affairs with regard to the running of the court system, and in the Ministry of Defence the merging of the Defence Logistics Organisation with the Defence Procurement Agency. The Lyons review made recommendations on the use of assets, from which should flow significant asset disposals projected to be £30 billion in the period up to 2010. The Department for Communities and Local Government and the Treasury are to improve the release of land for house building. So there are a large number of chunky examples.

The PAC also considered the reduction of complexity and bureaucracy. It is important to see how that is to be carried forward. Examples include reducing the number of funding streams for improving the social housing stock, and rationalising the number of contact centres and local offices in order to share provision across the public sector and reduce duplication through better data sharing.

The PAC concentrated a great deal on the need to reduce fraud. Improvements are being made to the operation of the Driver and Vehicle Licensing Agency to cut evasion of vehicle excise duty. That is projected to save £140 million a year. The court system is changing the administration of fixed penalty notices, which will reduce the scope for defrauding the public purse.

On implementation, which is another of the overlapping themes, the Department of Health is reviewing systemic delivery issues to improve treatment pathways. That will cut the length of patients' hospital stays, which should benefit not just the public purse, but patients.

On the two other factors identified by the PAC in its 17th report, improving planning and improving project management, there is no explicit read-across to the plans for the comprehensive spending review. However, the NAO commented on the importance of strengthening Government Departments' capabilities. That means upskilling staff to raise their capacity to plan and manage complex projects. That is being done partly by upskilling within Departments and partly by strengthening central support and collaboration. For example, the work of the Office of Government Commerce and the introduction of the gateway system, which we have discussed, will no doubt turn out to be important. It could also be said that the process of cross-cutting reviews and zero-based budgeting is part of improving planning and management.

To summarise, when the 17th report by the PAC was published, the Chairman said:

> "Given the scale of Government spending just a 2 per cent. improvement in the use of resources could generate savings of £8 billion a year."

In the forthcoming comprehensive spending review, the Government have gone further, identifying scope for saving 2.5 per cent. a year. Looking at the range of measures and policies, that appears to be completely credible. We have come a long way from the Gladstonian approach—or even the 17th century, candle-ends approach. To achieve that saving, it will be necessary to re-engineer processes and utilise the procurement scope of the £125 billion that the Government already spend. But I am sure that that will turn out to be possible, and that as the PAC goes on to do further work we will find further possibilities that the Government will be able to make use of.

10.10 pm

Mr. David Heath (Somerton and Frome) (LD): May I start by returning to a point that the hon. Member for Gainsborough (Mr. Leigh) made in introducing the debate? This is no time of the evening for a debate of such importance on matters that are so crucial to the efficient governance of the country. The Public Accounts Committee does a very important job. It produces reports that are of enormous value, and they ought to be given proper and timely scrutiny by the House. That is not achieved by a debate such as this in which, with very few exceptions, the participants are Committee members. I notice that Members present include the hon. Members for South Norfolk (Mr. Bacon), for Tunbridge Wells (Greg Clark), for Glasgow, South-West (Mr. Davidson), for Bishop Auckland (Helen Goodman), for Tooting (Mr. Khan), for Portsmouth, North (Sarah McCarthy-Fry) and for Burnley (Kitty Ussher), and my hon. Friend the Member for Southport (Dr. Pugh), as well as the Financial Secretary, who is nominally a member of the Committee, and its Chairman, the hon. Member for Gainsborough. If this debate is only to be an expanded Committee meeting, it fails its primary purpose. I hope that the Government's business managers take note of that and ensure that in future we have a more appropriate setting for the debate.

Mr. Bacon: I completely agree with what the hon. Gentleman has just said. If we have to grind on late into the night, I suppose that it is in the best interests of taxpayers that we do so. But has the hon. Gentleman noticed that the Government's business managers—the Whips—are also Treasury Ministers, and if Ministers on the Treasury Bench are required to stay late this evening, it can only be because of actions of the Treasury itself, and they might think of that in future, before timing a debate in this way?

Mr. Heath: Let us hope so, but I am not entirely sure that the usual channels work in that way.

Let me pay tribute again to the work of the PAC. Its Chairman used the word "assiduity" in terms of his office. Assiduity is one of those words that nowadays have almost solely a parliamentary usage: no one other than parliamentarians talks of being assiduous, just as no one else talks about being churlish. But it is a relevant word: this Committee is assiduous in its approach to its work, for which we are grateful.

I have never had the pleasure of serving on the PAC, but I did serve on what is perhaps an analogous body before I entered the House. I was an audit commissioner, and I know about the important work that was done by the Audit Commission—the sister body of the National Audit Office—and the importance of our reports in improving the effectiveness and efficiency of local government and the national health service.

The other important point to make is that the PAC's reports are not all about disasters; they are not all about things going wrong. We need to put it on the record that they often point to good practice, and sometimes even excellence, in public services. If we do not recognise that, we give a false perspective of the Committee's work.

Having said that, it is inevitable that we concentrate on those areas where the Government are performing less well. We have heard mention of areas that I do not intend to pursue. The hon. Member for Portsmouth, North mentioned Ministry of Defence procurement; that has been a long-term concern of mine and I still do not think that we get it right. However hard the MOD tries to improve its procurement, it does not get it right, and too often there are some absurdities in procurement procedures, which we can ill afford. Not only do they cost money, they reduce our armed forces' effectiveness and sometimes subjects them to risks that they should not face, simply because of the lack of correctness in procurement procedure.

Nor am I going to go into national health service IT procurement. I assume that the hon. Member for South Norfolk was discussing earlier the 17th report's reference to NHS IT, and that that was why his entire speech was in order. I want to echo some of the concerns that he expressed by pointing out that when I met my local medical committee of general practitioners in Somerset last week, top of their agenda

[Mr. Heath]

was their concern about the NHS IT contract's effect on their practices. We in this House should be aware of that issue.

I do want to mention the Home Office, and I share many of the concerns that have already been expressed. The 34th report, on returning failed asylum applicants, was the first crack that caused the entire edifice to collapse, and not before time. The Home Office has been underperforming in management, service delivery and, as we have already heard, accountancy procedures for far too long. The hon. Member for Portsmouth, North mentioned how often pilot schemes were progressed without assessing the results. No Department is more guilty of that than the Home Office, which is forever starting pilot schemes and rolling out the relevant programmes across the country—sometimes with disastrous results—before the schemes have even run their course, let alone before the evidence has been assessed. We see that in legislation, as well; sometimes, legislation is amended before it has even come into force. That is not the right way to run a Department of such importance to the country, and I do hope that the new Home Secretary is getting to grips with it, but I fear that the early signs are not good. We must wait to see what happens in the days and months to come.

I turn to a perhaps less obvious report—the 40th, on efficiency in water resource management in the Environment Agency. I have a particular and personal interest in water resource management, as I live in a village where we have been given notice of discontinuation of our water supply by the Duke of Somerset. I want to stress the huge strains that are being put on the Environment Agency, a body for which I have a great deal of time, and which does absolutely essential work. My contention is that the increasing costs of flood management are preventing it from doing a lot of the other work in mitigation of environmental damage that it ought to be doing. In particular, it is unable to provide the level of resources for environmental protection that it should. I hope that the Committee will return to that issue and the question of the distribution of resources. It made the point in the 40th report that there was a blurring of the resources applied to water resource management and to flood defence. In fact, that is a wider problem within the Environment Agency, and, because I want it to do the best possible job, and because I know the demands being put on its limited resources, it is worth exploring further.

I turn to one other use of the Environment Agency's resources that came to my notice a few days ago. A couple of websites belonging to the agency—or, more accurately, to the "Asiantaeth yr Amgylchedd Cymru", which is the Environment Agency Wales—have devoted an entire page to the

> "Nentydd Mells, Whatney a Nunney",

and the

> "Somerset Frome yn Whitam Friary a Frome."

Being translated, that is the Mells stream in Whatley and Nunney and the River Frome in Witham Friary, my home village, in my constituency. In none of those three villages do we have a monoglot Welsh speaker, and I am not entirely sure that it is a proper use of resources to use translating facilities to provide individual websites for flood defence and flood protection information in Welsh for my Somerset villages.

I know that we are quite near to Wales. I suppose that we are a Marcher county. I strongly support the view that there should be Welsh information for Welsh people in Wales. However, I do not believe that it is a sensible use of resources to provide information in Welsh about flood levels in villages in Somerset, because we find it difficult to assimilate that information. The Committee might like to consider that. Perhaps the issue should have been incorporated in the report "Lost in translation?" which was actually on an entirely different subject.

Lastly, I will deal with tax credit fraud. It is an inevitable area of concern. Exactly a year ago today, when the Committee issued its fourth report, it was slightly optimistic about fraud. It reported:

> "The Department has made good progress in reducing losses from fraud and error".

Unfortunately, the Department in question was the Department for Work and Pensions; the tax credit system is operated by the Treasury through Her Majesty's Revenue and Customs. We have the 37th report, on the Inland Revenue, and I see within it a great deal of concern expressed.

We had the original estimate of £460 million of fraud in the tax credit system. We know that that has now increased to about £1.28 billion in the first year. We know also that the signs are that in the second year of operation the figure will be as high again. Further, we know that £131 million of taxpayers' money has been lost to organised fraud—to gangs working in collaboration, it would appear, with civil servants, although that is yet to be established, to defraud the Exchequer. In addition, we know that in the third year of operation the overpayment of tax credits—a point made by the Chairman of the Committee—is likely to be about £1.8 billion. So many unhappy people have been given money which they unwittingly received, not knowing that they were not entitled to it, and have suffered the consequences of having that clawed back. Sometimes that has caused great hardship to families, because the money was inevitably spent on children's clothes, Christmas presents or whatever was required in the household.

In the first three years of tax credits, £5.8 billion has been overspent and £2.4 billion has been lost in fraud. There is at least a strong suspicion that this was known to the Department back in 2004, and yet the ePortal, which is thought to be the main occasion for fraud, was not closed until December 2005.

There is still a sense of denial on the part of the Treasury about these facts. There is concern that it has not come to grips with its underperformance in dealing with the matter. Yet £1 in every £10 in this system is lost through error and fraud. That being so, I think that we are entitled to ask why better and more stringent action was not taken at any early stage. When the Comptroller and Auditor General has to qualify the accounts of Her Majesty's Revenue and Customs year after year, of all the Departments in the panoply of the state, there are serious questions to be asked.

I close by taking up a point that the Chairman of the Committee may have raised slightly out of order, in that it was referred to in a report that was published only today and is not part of our consideration. I will follow the hon. Gentleman's lead by at least mentioning what he said. He used the phrase, "Getting it right the first time". That is a key part of delivering good public services. Time and again in our constituencies we as individual Members see examples of the inability of public services to get it right first time, occasioning people to come to our advice surgeries or write us letters that require us to write letters on House of Commons notepaper, and miraculously what was not right the first time is then sorted, because a Member of Parliament has written to the chief executive of the agency concerned and that then descends through the bureaucracy like a brick until it hits some poor unfortunate who then has to recalculate the figures and get it right. It should not be like that. People should have the expectation and right that Government Departments will make the calculation to get it right first time. Until we have systems that make sure that that is the case, we are failing our citizens.

Yet again I congratulate the Public Accounts Committee on all its work in highlighting cases where the Government Departments do not get it right, in the hope and expectation that improvement will come. I hope that I am as optimistic as the hon. Member for Bishop Auckland (Helen Goodman). I am not sure that I am. She sees a bright new future for Government as a result of the reports. I hope that that is the case because it is in all our interests that it is the case. I express a little cynicism and a little pessimism, but let us hope that there is at least some incremental improvement, and that the PAC has helped that process.

10.26 pm

Mr. Sadiq Khan (Tooting) (Lab): I begin as other colleagues have ended, by paying tribute to Nick Wright, Chris Randall, Emma Sawyer and Ronnie Jefferson, who run the Committee's office so efficiently, and also to the Comptroller and Auditor General, Sir John Bourn, and his team at the NAO, who really are top drawer. I note the time, so I will focus primarily on two particular reports in the motion, the 22nd and the 37th reports, that may not otherwise receive the attention that I believe they deserve.

Last time we discussed a PAC report, in January 2006, the Financial Secretary described our work as a tour de force. However, it is not just the Financial Secretary or the Treasury who take an interest in our reports. It is not even the "Today" programme—which cherry-picks and selects the most outrageously critical comments of the Chairman against the Government—which has an interest in the work that we do. What is remarkable is how non-governmental organisations, pressure groups, constituents and other Departments take an interest in our work, and the work that we do provides an opening or a springboard for things that they can do.

The 22nd report was one such report. The Chairman of the PAC talked about the impact on the end user, and the 22nd report is a good example. That report was on the subject of maintaining and improving Britain's railway stations. As all constituents in Tooting will know, I have been campaigning for improvements in Earlsfield station in my constituency for some time now. At the beginning of this month, a help point was installed, which enables disabled passengers to utilise a free taxi service that willtake them to an accessible station. This followed confirmation that I received at the Committee meeting on 12 October that the Association of Train Operating Companies would be investing £600,000 to improve such facilities across the network, and train operating companies such as South West Trains have followed that lead.

However, in its report the Committee highlighted the fact that more than half of the country's stations are not fully accessible to the disabled. That led me to table early-day motion 911, which 141 colleagues have signed, although one or two Committee members still have not done so, and I highly recommend them to do so. The situation highlighted by our Committee and by the early-day motion is clearly unacceptable. Therefore, as I said earlier, I welcome the Department for Transport's commitment to invest £370 million over the next decade to address the deficiencies that we raised, which are in breach of the Disability Discrimination Act 1995.

I was disappointed that Earlsfield was not included in the 47 stations initially chosen for the study, but I am pleased about the objectives outlined in the railways for all strategy. Once again, I would like the Committee to take some of the credit for the conclusions that that strategy reached. It called for improvements to be made in a shorter time frame, and our report highlighted the fact that insufficient attention had been paid to the quality of stations. Now that the Department for Transport is responsible for stations strategy, I hope that it will respond accordingly to that recommendation.

Station security is another important area that the Committee investigated, and I note that my hon. Friend the Member for Brent, South (Ms Butler) will hand in a petition tomorrow highlighting concerns that we first raised in our Committee. Balham station in my constituency particularly concerned me, and I raised the matter in Committee, because there appeared to be complacency about passenger security. Our Committee highlighted the point that few train operating companies had joined national schemes to improve security and reduce crime.

The report cited the three most reassuring facilities for passengers—the presence of staff, effective lighting and closed circuit television. I acknowledge that the Treasury has contended that improvements to personal safety will increase train usage only by approximately 2 per cent., as opposed to the 11 per cent. figure quoted in the report, but that does not reduce the significance of safer stations, and I am sure that I speak for hon. Members on both sides of the House when I say that the safety and security of our constituents is of paramount importance.

The report also confirmed that the original franchise agreements failed to place suitable emphasis on the improvement of facilities. I therefore welcome the Government's increased expectations regarding station security within future franchise agreements. Investment

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in British Transport police increased by 24 per cent. in the past year, as the issue began to receive the necessary recognition.

The Committee also highlighted the complicated and inflexible procedures employed by Network Rail, which many see as an obstacle in the path of improvement to station services. The majority of our stations around the country are more than 100 years old, and approximately 15 per cent. of them are listed buildings. Moreover, as I learned at first hand, too many organisations are responsible for station maintenance. I understand that work is under way on a new stations code to establish more effective contractual arrangements, and I believe that that is essential if stations are to make progress on maintenance, security and facilities.

The hon. Member for Somerton and Frome (Mr. Heath) has mentioned the Committee's 37th report, "Inland Revenue Standard Report: New Tax Credits", and my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) has mentioned the 36th report, which is connected to it. When we questioned the chairman of HM Revenue and Customs on 14 December in Committee, I established that tax credits had the highest take-up of any benefit delivered through a credit system. Tax credits benefit at least 3,600 families in my constituency and a total of 6.1 million families nationwide, which include 10 million children. I understand from the evidence that we heard and from the excellent questions that I asked—

Mr. Davidson: You did.

Mr. Khan: From a sedentary position, my hon. Friend has complimented my questioning, and I thank him for the compliment.

Kitty Ussher: So do I.

Mr. Khan: Another hon. Friend has also complimented me.

I understand that the take-up rate is particularly high among low-income families, at 93 per cent. compared with only 47 per cent. for the old working families tax credit. I welcome the commitment by the Government, the Treasury and HMRC to improve the efficiency of tax credit administration. The problems associated with overpayments highlighted in the report have prevented that laudable scheme from receiving the praise that it certainly deserves. Overpayments are inherent in the system, because of the provisional nature of the awards. I have been assured that HMRC is confident that the changes implemented by the Government, which are outlined in the report, will ensure that overpayments are significantly reduced. The disregard for income increases has been raised from £2,500 to £25,000, and claimants must advise HMRC of changes in their circumstances within one month.

The report also raised concerns about error and fraud. The hon. Member for Somerton and Frome has touched on those concerns, and I will not rehearse his points.

Mr. Heath: I sincerely hope that HMRC is coming to terms with improving the system to prevent fraud. However, some constituents have told it several times about changes of circumstance, but nothing has happened—it is as though the letters have disappeared into the ether—which means that they are still overpaid, despite having done everything that they can to notify it. Is that not a cause for some concern?

Mr. Khan: Absolutely. The permanent secretary who gave evidence to our Committee took that on the chin and said that the Department will not seek to recover whatever payments are made through no fault of the claimant. That is some comfort to the distressed constituents mentioned by the hon. Gentleman.

As we heard in our evidence, increased attempts at tax credit fraud resulted in the website being closed down. I welcome the Government's decision to double the number of pre-payment checks before issuing a tax credit award. The Committee was reassured that the majority of attempts to commit identity fraud through the tax credit system were prevented. Nevertheless, I am pleased that HMRC will now be more proactive in contacting certain claimants. The Financial Secretary has taken this issue very seriously, as has his Department. Nevertheless, it is important to maintain the right balance between keeping the system user-friendly, thereby maintaining a high take-up and helping the most vulnerable in our communities, and preventing fraud and overpayments.

Mr. Davidson: May I say that the excellence of my hon. Friend's questions is matched only by the magnificence of his speeches? Does he agree that the PAC offers the only forum where it is possible to have a non-partisan discussion about a scheme such as tax credits, which provides an enormous amount of benefits to a large number of people yet has some clear difficulties and problems? In the Chamber, we often end up with yah-boo politics that generate a great deal of heat but very little light as regards clarifying the difficulties.

Mr. Khan: I am grateful to my hon. Friend, and would recommend three sources that confirm what he says. First, the report prepared by the NAO was based on facts and figures rather than dogma. Secondly, the transcript of our evidence, including the questions asked by the Chairman and other hon. Members on both sides of the House, concerned the process and implementation of the scheme rather than the party politics. Thirdly, the PAC report was very balanced and dealt with the facts, problems and challenges while recognising the benefits in a non-party political way. It is a shame that the day after our report was published, the "Today" programme decided to cherry-pick the criticisms, not the excellent and balanced parts that were of a non-party political nature.

I should like to end with a couple of words of caution. First, an issue raised in January this year has still not been dealt with—namely, that very good reports are being produced but they are produced too long after the initial NAO reports. When our Chairman wound up the previous debate, he said that he would look into that. I think that a huge amount of progress still needs to be made.

Secondly, the purpose of the PAC is to provide parliamentary scrutiny of the Executive, but that does not mean that it always needs to be critical. The hon. Member for Somerton and Frome—I think that I have quoted him three times in my speech, which must be a record, and always with a generous interpretation of his words—talked about our Committee and our reports highlighting good practice, best practice and excellent practice, but that aspect appears to have been lost. I am concerned that in providing parliamentary scrutiny of the Executive, the PAC may be seen merely to be critical, when it will sometimes be complimentary. That may lead to our Committee being perceived in a way that is unhelpful to those who give evidence, and those of us who are members may become cynical in that regard. Witnesses, who often want to come and be open and get to the root of the problems, may become wary of doing so because of our reputation.

I hope that the experience of the past 300 years will continue in terms of the spirit of our Committee in providing scrutiny, some good and some not so good.

10.39 pm

Greg Clark (Tunbridge Wells) (Con): At this stage of the debate, everything that ought to be said has been said, but not everybody has said it. I shall therefore follow suit and praise the chairmanship of my hon. Friend the Member for Gainsborough (Mr. Leigh). He is an indulgent Chairman to Committee members but a fearsome Chairman in the eyes of witnesses. I remember, with a mixture of horror and admiration, his intervening on one witness, whose answer was full of circumlocution, to tell him that he was speaking drivel and that if he did not do better in the next half hour, he should not go further. It will take me many years to reach that admirable level of intolerance of waffle. I have greatly enjoyed serving under my hon. Friend's chairmanship.

I pay tribute to the National Audit Office under Sir John Bourn. It, too, chooses its words carefully and I often marvel at the understatement with which it delivers withering judgments. Using the word "disclaim", which my hon. Friend the Member for South Norfolk (Mr. Bacon) mentioned, is a modest way in which to pronounce a devastating verdict on a set of accounts. Perhaps that serves as a totem for Sir John's approach. We all know what he means, but he expresses it diplomatically.

May I also put on record my appreciation of the work of the Committee staff and the Treasury representatives, who respond to questions that are often naive, at least on my part, with enthusiasm and helpfulness, which often goes beyond the call of duty? I am grateful for that.

I intended to praise the speech of the hon. Member for Tooting (Mr. Khan), but in the light of his comments, perhaps I should give way so that he can praise his own contribution. However, he always makes a lively contribution in the Committee and he has done that again tonight.

Given the lateness of the hour, I want to comment on only three subjects that we have considered: the BBC; our report on competition, which was directed at the Office of Fair Trading; and the report, which several hon. Members mentioned, on tax credits.

The Chairman referred to our perennial plea to be given oversight of the BBC, or least to allow the National Audit Office access. I want to reinforce that. I should perhaps declare an interest because I worked for the BBC in a previous existence. One of my duties was being the point man who haggled with the NAO about what went into its report on the World Service, which is the one part of the BBC to which the NAO has unfettered access. I know from that experience that there is no question that the NAO's scrutiny of that part of the BBC compromised its editorial or political integrity. It was entirely proper that the use of public money be scrutinised in that way. The contention that NAO involvement exposes the BBC to excessive political interference is frankly nonsense.

It is disappointing that the Green Paper, which became a White Paper and is shortly to become a BBC charter, has given way in almost every respect to the BBC's demands but not to those of Parliament. I do not know what insight that provides into the Government's thinking, but it is regrettable.

Our report on the BBC had a worthy subject—the expansion of White City—but it is not one of the more central subjects. I hope that, if the NAO has unfettered access, we might consider issues such as the BBC's investment in digital and online services and its commercial services in our debate next year or the subsequent year. Such matters go to the heart of the appetite for proper public scrutiny of the BBC.

Let me give an example of things going well. The hon. Members for Tooting and for Somerton and Frome (Mr. Heath) said that we should praise and encourage. Our robust hearing on the important subject of the Office of Fair Trading has already had a remarkably salutary effect. Under the Competition Act 1998, the Office of Fair Trading acquired far-reaching new powers, including the power to compel witnesses to give evidence and to fine up to 10 per cent. of turnover. It has also had a huge increase in its staff and budget levels.

When representatives of the OFT appeared before the Committee, however, we found that it had failed to make use of those powers in almost every respect. Inquiries that were meant to take between six months and a year were taking three years to complete. Not one of the standards that the OFT had set itself, as outlined on its website, had been met. Not once had the power to compel witnesses to give evidence been used. The situation was unravelling to such an extent that it gave the impression of being what I described as a meek organisation.

The chief executive of the OFT, John Fingleton, was only six weeks into his term of office when he appeared before the Committee. To his credit, however, he did not do what he might reasonably have been expected to do, and claim that he had not been there at the time. That would perhaps have been understandable, but instead he took our criticisms on the chin and, since that hearing, there has been a remarkable flurry of activity at the OFT. It has launched inquiries into supermarkets, school uniform suppliers and credit services, and there has been a real increase in the pace and relevance of its inquiries. It is too early to say whether all that will be matched by a sustained focus on quality, although I obviously hope that it will be. I commend the OFT's positive reaction to the NAO

[Greg Clark]

report and to the rather robust exchanges with all hon. Members on the Committee.

The third subject that I want to talk about is tax credits. Many hon. Members have mentioned this already. Like the hon. Member for Glasgow, South-West (Mr. Davidson), I believe that this is an extremely important area of public policy. I believe that to be the case for two reasons. First, as the hon. Member for Somerton and Frome mentioned, the tax credits policy has caused the report and accounts of the Inland Revenue to be qualified four times in a row. Given that that is the flagship financial Department of the Government, responsible directly to Treasury Ministers, this is a matter of profound concern that should rightly be the concern of the Committee.

Secondly, the new tax credits system cost £16 billion, which is a huge sum that requires proper scrutiny. As the hon. Member for Glasgow, South-West said, the Committee is the only forum in which this amount of Government spending can be scrutinised—dare I say professionally?—without the partisan knockabout that we get here. I should like to place on record my disappointment in the degree of scrutiny of the tax credit system that we have been able to exercise. In the pre-Budget report, the Government changed an important part of the tax credit policy—rightly, so far as one can tell on paper. They increased the disregard for people's changes in income from £2,500 a year to £25,000 a year. That is a huge increase that will have huge financial consequences. It is therefore important that the Committee should be able properly to interrogate the reasons for that decision, to test whether the change in policy offers value for money, and that is what we tried to do.

Committee members from both sides of the House asked some very relevant questions. Perhaps I should follow the example of the hon. Member for Tooting and praise my own questions, as he did. I asked the questions that were on everyone's mind. I asked the deputy chairman of Her Majesty's Revenue and Customs the following question:

> "Part of the assessment"

in the pre-Budget report

> "must have been to have an idea of what the pure fiscal effect was of increasing the disregard. That work must have been done; you will confirm that?"

Mr. Gray replied:

> "I believe it has been done."

I said:

> "Since that information is available, will you write to me through the Committee giving what the assessment is of the pure component of increasing the disregard?"

Mr. Gray said:

> "Certainly, in liaison with our Treasury colleagues. We will write to the Committee."

I said, "Providing that information?" and Mr. Gray said, "Yes."

That information has not been provided. In the Committee's report, the evidence that HMRC submitted said, in complete contrast to what was told to us in the hearing:

> "It is not possible to produce reliable estimates of the cost of the individual elements on their own".

When we discussed our draft report as a Committee, we noticed that the information had not been provided, and we said that if it had been overlooked, we ought to draw attention to it. I know that Labour Members participated in that discussion. We therefore placed in the report recommendation 3, which said:

> "Before the Pre-Budget Report the Department estimated the cost of this element of the package. The Department should provide details of the estimate it made".

In the Treasury minute responding to the Committee's recommendations, as Treasury minutes are required to do, we have yet again an answer that is waffle to the point of being gobbledegook. It says:

> "The figure refers to a change in what claimants would be entitled to. This does not translate into a cost to the Exchequer".

That flies in the face of the reasonable evidence that HMRC gave to the Committee.

Just to emphasise the point that this information exists and is not being provided to the Committee, I can tell the House that the Institute for Fiscal Studies, which no one can accuse of being politically partisan, put in a freedom of information request to obtain that information. In a letter refusing to disclose it, HMRC wrote to Mike Brewer of the IFS:

> "You have requested information that HMRC holds about the likely cost in 2006/7, 2007/8 and 2008/9 of increasing the earnings disregard in tax credits from £2,500 to £25,000…In this case we have concluded that the public interest in withholding the information outweighs the public interest in disclosing it".

I am very willing to give way to the Financial Secretary if he can give us the Treasury's calculation of the effect of the increase in the disregard or explain just what is the public interest in withholding from the Public Accounts Committee this crucial piece of evidence that witnesses before the Committee said existed, that they promised to provide to the Committee and that they have admitted to the IFS exists, but have not provided.

We work quite hard as a Committee, meeting twice a week. We take our responsibilities seriously. As the hon. Member for Glasgow, South-West mentioned, for the most part we do not have party politics before our eyes when we are scrutinising Government value for money. We all seriously want to get to grips with the question of tax credits. My view, like that of many Labour Members, is that tax credits have many virtues and it is important to get them right and solve some of the overpayments that cause such distress to many of our constituents. We can judge whether that is the right reform only if the Government provide us with the information to make that assessment.

I hope that the Financial Secretary will reflect on the contributions that have been made and, perhaps, trust the Committee and Parliament a little more to do our job in helping to scrutinise these measures. Even if it proves a little embarrassing for Ministers, the function of the Public Accounts Committee, going back into the mists of time, as the Chairman reported, is sometimes to ask difficult questions. It does not give confidence, and it is not an impressive performance by the Government, if information is withheld, impeding us in our duty.

10.53 pm

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): I begin my remarks with a tribute to the Chairman of the Committee. I am often asked by my colleagues and, indeed, by Opposition Members what it is like serving under the hon. Member for Gainsborough (Mr. Leigh). They ask with some trepidation, as though they expect him to behave in a somewhat wild manner. I indicate that indeed he is the very essence of a good Chairman. Despite his views, which when expressed in this Chamber I regard as extreme in the extreme, he has chaired the Committee with impartiality and fairness on all sides. Indeed, he has defended the position of the Committee against assaults from outside. For example, Nicholas Soames, the Member for Prince Charles, has on several occasions berated him for allowing the Committee—

Madam Deputy Speaker (Sylvia Heal): Order. I remind the hon. Gentleman of the custom of the House of referring to other hon. Members not by their names, but by the constituency that they represent.

Mr. Davidson: May I refer to the hon. Gentleman to whom I referred earlier as representing a constituency somewhere in England? I am afraid that I am not aware of his constituency. He gives the impression of seeking to represent a particular individual who, I understand, is not a voter. He regards any inquisition or discussion by the Public Accounts Committee of the financial circumstances of that individual as almost a personal affront. While I anticipate that the Chairman might have some sympathy with that point of view, he has nevertheless defended the Committee's right to conduct those investigations over a long period, for which we are grateful. Given his encouragement, we will continue to do so.

That is a mark of the political impartiality of the Committee, which has been and continues to be one of our strengths. We meet as a group of partisan politicians in an environment that is almost entirely removed from the cockpit of partisan conflict. There are the occasional Whips' narks from one side or the other who wish to intrude in our debates in the manner for which they have been wound up. However, the vast majority of members of the Committee spot that right away, and more sensible voices prevail.

Madam Deputy Speaker: Order. The scope of the motion is very wide, so I hope that the hon. Gentleman will now address his remarks to one of the numerous reports listed in it.

Mr. Davidson: Indeed, I will do so in the remaining four hours of my contribution. *[Laughter.]*

Mr. Bacon: Does the hon. Gentleman recall the maxim of Fidel Castro, that any speech of less than four hours cannot be doing one any good?

Mr. Davidson: Indeed, I was reminded of that when the hon. Gentleman was speaking earlier. Perhaps he did not speak for four hours, but it certainly felt like it.

Madam Deputy Speaker: Order. The Standing Orders of the House and the occupant of the Chair will ensure just how long any hon. Member will speak.

Mr. Davidson: I look forward to reading *Hansard* tomorrow to check exactly how long the hon. Gentleman was speaking for. It may have been for less than four hours, although I did find myself losing the will to live after two and a half.

May I turn to the way in which our debates are conducted? Ever the assiduous member of the Committee, I think that I am the only one who has brought the complete box of reports to the Chamber. Following the hon. Member for Tunbridge Wells (Greg Clark), I am tempted to read the edited highlights of my contributions to the Committee, but I shall refrain from doing so.

One of the values of the Committee is the way in which we are, in many ways, about the only genuine counterbalance to the permanent Government. Often, when issues such as tax credits become the subject of partisan debate, there is a knockabout involving a group of Government or Opposition Members who feel obliged to defend what is being done, even though it is indefensible. Only in a relatively impartial environment are we able to have a genuine interrogation of what is being done in our name by the civil service and bureaucracy.

If people are not entirely convinced that that happens in the United Kingdom, they should have a look at the reports dealing with Northern Ireland, of which I have a number here. They reveal the stultifying effects of permanent government without serious parliamentary challenge. I think we would all accept that, because of the unique circumstances in Northern Ireland, we do not have the degree of scrutiny of the civil service and bureaucracy that would be possible elsewhere.

What has happened in Northern Ireland is not that governance has been improved, but that governance has been allowed to decay and decline. Despite the excellent efforts of the Northern Ireland Audit Office, we see a quality of governance in Northern Ireland that would not be acceptable, if there were reasonable scrutiny, in any of the other three nations that make up the United Kingdom. We have played a particularly valuable role in that regard. I hope that that the standards that we have tried to introduce in Northern Ireland will be maintained by the Assembly once it is re-established.

I want to say something about the relationship between the Committee and the National Audit Office. Undoubtedly, many National Audit Office staff members are cleverer than all the members of the Committee put together, although there are occasions when I wish that they did not draw that to our attention so forcefully. Our role is distinct from theirs, and we must recognise that our action in championing their access, standards and criteria is valuable. We need not be experts in every subject that they investigate; in many instances, it is sufficient for us to put our weight behind their efforts.

If I have a criticism of the National Audit Office, it is one that I have voiced repeatedly when it has produced reports: I do not think that it pays enough attention to the social class impact of Government policies. It does not carry out a "social class health check" of policies and their implementation. I am continually disappointed by the way in which it allows many Departments not to make any assessment of the different impacts that their policies have on people of different social classes, and the lack of take-up among

[Mr. Davidson]

those with lower incomes and the like. I feel that we should try to incorporate that.

Helen Goodman: Was my hon. Friend particularly reminded of that recently when we took evidence from the Duke of Westminster, who had broken through every barrier to become the first major-general in the Territorial Army since 1945?

Mr. Davidson: That is a useful point. It proves that we are an open society. Any old jerk can become the first major-general in the Territorial Army. To be fair to him, he did very much resent any suggestion that he had got there other than on merit. The subtext was that any member of the aristocracy could have become one of the Territorial Army's high heid yins.

It was interesting that when I asked whether any proles or plebs had reached such a level in the TA, not only was I told that the TA did not keep the figures, but the witnesses resented the suggestion that anything of that sort should be monitored. I think the National Audit Office often overlooks the unconscious assumption that we live in an open society, and that there are no barriers. If I have the Chairman's support, I want to continue to be able to impress such points on the NAO, and to raise them in Committee reports. I think it is up to us, as well as pursuing questions of value for money, to try to ensure that those citizens who are in the least fortunate positions in our society have just as much access to the resources provided by taxation as the Duke of Westminster.

I particularly want to make another point. I have brought my box of reports along with me, but colleagues will be pleased to hear that I am not going to read out the highlights of speeches. Rather, I want to demonstrate the scale of work that we undertake. I wonder whether the time has come for us to consider splitting the Committee in some way in order to allow Members to specialise rather more. It is impossible for us all to make meaningful contributions based on personal experience on every matter that comes before us.

We all want to discuss issues with the witnesses in front of us, but in my experience, some of the most constructive and positive contributions to questioning have come from those who can cast some light based on their personal experience, their constituency activities, or some expertise that they have gained elsewhere. It is not possible to have that degree of specialisation across the whole range of governmental activities. If we were to split the Committee to allow a degree of specialisation, it would reduce the burden on individual Members. None of us could adequately prepare for every Committee that goes on every week. We have to pick and choose, so some are missed out. We might be able to make better contributions if we were to revise our methods of operation.

Finally, Madam Deputy Speaker—you will be aware that when an MP says "finally", it usually means that he or she is only about 40 per cent. of the way through, but wants to give the audience some hope; on this occasion, however, I mean finally—I view serving on the Public Accounts Committee as one of the most constructive roles that an MP can have. I am in the fortunate position of having spent almost all my time in the PAC under a Conservative Chairman. I say that because it means that Conservative Members are in opposition and we are in government, which has been a pleasure and long may it continue. I look forward to serving, hopefully, under several other Conservatives. I am conscious that each member of a Select Committee can serve for only eight years. When one of my colleagues said that change might come in 12 and a half years, I thought that it was going to be much longer than that before the Conservatives got into power. I look forward further to serving on the Committee and hope that, under the inspired chairmanship of the hon. Member for Gainsborough—or perhaps the hon. Member for Tunbridge Wells (Greg Clark) or the hon. Member for South Norfolk (Mr. Bacon) in due course—we will continue to hold the Government to account, as we have up to now.

11.7 pm

Mrs. Theresa Villiers (Chipping Barnet) (Con): The hon. Member for Glasgow, South-West (Mr. Davidson) is always a tough act to follow. In winding up what has been a very interesting debate this evening, I would like to pay tribute to the work done by the Public Accounts Committee and its Chairman, my hon. Friend the Member for Gainsborough (Mr. Leigh). I would also like to congratulate and thank Sir John Bourn and his staff at the NAO on the vital work that they do.

The PAC and the National Audit Office carry out vital work in safeguarding taxpayers' money and rooting out inefficiency, incompetence and waste in the administration of government and the public services. Their work has been, as we have heard this evening, wide ranging and uncompromising over recent months. In his wide-ranging speech, my hon. Friend the Member for Gainsborough covered the Committee's work, going back as far as 1690. He covered military readiness, consular services, adult literacy—and I was particularly pleased that he highlighted the Committee's important work on cancer treatment.

On cancer, we have an example of both good and bad news. The PAC took note of the work of the cancer networks and improvements in cancer care, but it also felt that better co-ordination between those networks and the primary care trusts that actually spend the money was desirable. It signalled that simpler, clearer and more easily accessible guidance on how to detect the early-stage symptoms of cancer could do much to help remedy the deeply worrying disparities between cancer outcomes in affluent and more deprived communities. I have no doubt that the Government will act on that wise advice of the PAC.

The hon. Members for Portsmouth, North (Sarah McCarthy-Fry) and for Bishop Auckland (Helen Goodman) both focused on the Committee's excellent report on value for money in the public services and on enhancing better project management. They also mentioned the vital importance of pilot projects and of ensuring that lessons learned in one Department can be spread across other Departments as well. They both looked at tackling complexity, especially in the benefits system, and acknowledged the challenge of the difficult tasks of simplification and of reconciling and balancing the needs of flexibility and simplification.

My hon. Friend the Member for South Norfolk (Mr. Bacon) expressed grave concern that the Home

Office's accounts were published with a complete disclaimer by the Comptroller and Auditor General. In effect, they were presented to Parliament unaudited, which is unprecedented for a major spending Department. My hon. Friend also outlined ways to prevent the NHS Connecting for Health scheme from turning into the sort of IT disaster that the PAC has all too often encountered. My hon. Friend the Member for Tunbridge Wells (Greg Clark) again had some good news and some bad news. He praised the impact of the PAC's report on the Office of Fair Trading and noted the constructive response to the PAC's criticisms and the increase in activity that they triggered, but he—like the hon. Member for Somerton and Frome (Mr. Heath) and others—expressed concern about the crisis in the tax credits system. He noted the Committee's hard-hitting report on that subject, which was also mentioned by the hon. Member for Tooting (Mr. Khan).

As the Chief Secretary to the Treasury acknowledged in the debate on 7 June, there is now a consensus across the House in support of the principle of tax credits, but the PAC's April report is just one of a succession setting outthe continuing and severe difficulties in their administration. It highlighted the fact that HMRC overpaid £2.2 billion in tax credits to 1.9 million families in 2003-04, much of it due to the design of the scheme, which bases provisional awards on income and circumstances from the previous year. The House has of course heard countless examples of the hardship that overpayment causes to millions of families landed with bills for repayment that they find it hard to meet. The latest figures show that of the 6 million families who receive tax credits, around 2 million were overpaid and 1 million underpaid, meaning that nearly half the payments in the system were incorrect.

The Committee noted that by March 2005, HMRC had set aside some £1 billion to cover debts that it was not confident that it could recover. And the loss to the taxpayer does not end there. Increasing the level of income disregarded for the purposes of calculating the final award has a significant cost. It has the same effect as formally writing off overpayments that cannot be recovered. The increase in the disregard is a key part of the package in the pre-Budget report designed to tackle problems in the tax credits systems, but—as my hon. Friend the Member for Tunbridge Wells said—when officials were challenged by the PAC about the cost of that change, they were unable to provide a figure. Paul Gray of HMRC indicated that such a figure could be supplied, but, regrettably, none has yet been disclosed to the Committee or the House.

The report revealed the continuing and grave problems with the tax credit computer system, which was responsible for at least £184 million in overpayments in 2003-04 and 2004-05. Amazingly, of the £71.25 million of compensation that the Government agreed with EDS, which supplied the defective computer systems, some £26.5 million depended on EDS winning further work from the Government. As my hon. Friend the Member for Tatton (Mr. Osborne) put it, in his characteristically forthright way:

> "the company which ministers believe is guilty of messing up the tax credit computer system will pay full compensation only if it is given a chance to mess up another government computer system."

The Committee concluded that HMRC did not have reliable or up-to-date information on levels of claimant error and fraud in tax credits, and that was seriously impairing its management of the scheme and its ability to safeguard taxpayers' money. As we have heard, an organised assault on the tax credits website led to its closure in December 2004. We also know that at least £1.2 billion was lost to fraud and error in 2003-04, and possibly a great deal more. Again, the Treasury faces the acute embarrassment that the Comptroller and Auditor General has qualified his opinion of the Inland Revenue's trust statement because of fraud and error in the tax credit system.

The significant sums lost to the Exchequer as a result of tax credit overpayments need to be viewed alongside the PAC's reports on £3 billion lost in benefit fraud and error and nearly £13 billion lost in fuel duty and VAT fraud, the latter now so large as to undermine the accuracy of Britain's trade figures.

A continuing challenge for the Public Accounts Committee is to ensure that the public sector acts in a commercially hard-headed manner when negotiating to buy goods and services from the private sector. That is one of the key factors highlighted in the Committee's report on "Achieving value for money in the delivery of public services", about which we have heard much this evening. Too often, the Committee has seen examples of manifest failure to achieve a good deal for the taxpayer.

For example, two years after the new Norfolk and Norwich university hospital opened, Octagon, the private finance initiative company that built it, refinanced the transaction, trebling the rate of return that it had predicted for its investors, from 19 per cent. to a staggering 60 per cent. The hospital trust received only 29 per cent. of the refinancing gains, despite taking on new risks and increasing the duration of the contract. Octagon kept £82 million. The Committee concluded that that refinancing produced, in its words,

> "a balance of risks and rewards between the public and private sectors that, even for an early PFI deal, is unacceptable."

The gross imbalance resulted from a failure to include a clause in the original contract to allow the benefits of refinancing to be shared between the public and private sectors. The Committee condemned that failing and noted that such clauses are now expected to be included in PFI contracts. The Committee famously described the deal as

> "the unacceptable face of capitalism",

but the report highlights failings in government as well. That is a bipartisan point, because the start of the negotiations took place under a Conservative Government, although the negotiations were concluded under Labour.

The evidence given to the Committee indicates that the Treasury and the Department of Health actively discouraged the trust from seeking a better deal. George Monbiot put the point with devastating clarity in *The Guardian*:

> "The deal...was an Easter Egg hunt. In order to persuade the corporations to participate, the government left an extra £95m in the contract for them to find. This money represents the difference between the financial risk the government said they would carry and the far smaller risk...to which they were actually exposed."

Mr. Davidson: I would be grateful if the hon. Lady told us when was the last time a Conservative Finance spokesman favourably quoted George Monbiot and *The Guardian* in one sentence.

Mrs. Villiers: I suspect that it is unprecedented. It just demonstrates how the Conservative party is changing. George Monbiot said:

> "The Department of Health told me that the government had not demanded a refinancing share in its early PFI contracts because they would not have offered 'value for money'".

He continues:

> "If the department believes that letting private companies walk off with £95m of free money represents good value, it's not surprising the NHS is in crisis."

The PAC is, of course, presented year in year out with examples of projects that go over budget and out of control. For example, the Diana, Princess of Wales memorial fountain had to be closed for major alterations three weeks after it opened owing to design flaws which caused repeated accidents and flooding. The cost rose from £3 million to £5.2 million as a result of what the Committee described as "basic project management failures". It wisely advocated that lessons be learned in planning the memorial for the Queen Mother and suggested that water-based features were probably best avoided.

Another project that caught the Committee's attention was the BBC's White City 2 development. The BBC made 300 variations to the contract and had to pay an extra £60.9 million above the price originally authorised by its governors. However, as we have heard, perhaps the key point to take away from that report is that it was produced as part of a voluntary agreement with the BBC governors to allow the NAO to undertake certain limited studies of BBC activity. The voluntary agreement ends in 2006 and the BBC wishes to retain the final say over what subjects the NAO can and cannot investigate in relation to the BBC's activities. The BBC spends very significant sums of taxpayers' money. In the coming years, as we have heard from my hon. Friend the Member for Tunbridge Wells, we will face many difficult decisions on matters such as the interrelationship of the BBC's commercial and public sector activities, its role in new digital services and its internet presence, not to mention its significant taxi and hospitality bills. As the Chairman of the Committee said in his appeal, surely it is now time for the BBC to receive the same scrutiny as Departments, which are also entrusted with taxpayers' money. I urge the Government to give the Comptroller and Auditor General full access and scrutiny powers over the BBC.

As the time gets ever later, I turn lastly to the PAC's damning report on the deportation of failed asylum applicants, to which several hon. Members referred. In its report of March this year, the PAC concluded that the UK's asylum policy had been undermined by the inability of the immigration and nationality directorate to deal promptly with asylum applicants whose request to stay in the UK had failed. The IND admitted that it did not know how many failed asylum applicants remained in the UK. The Committee concluded that it would take a staggering 10 to 18 years to clear the ever-increasing backlog of removals. The IND also admitted that more than 400 foreign criminals had been released from prison into the community. We now know, of course, that the numbers released were actually considerably higher and that many of those people had committed serious crimes.

In its understated way, the PAC dealt a devastating blow by concluding:

> "it is difficult to conclude that the taxpayer is obtaining value for money in the efficiency and effectiveness of the Directorate's operations."

Its report set in train a series of events that led to the admission by successive Home Secretaries that their Department was "dysfunctional" and "not fit for purpose", and to the sacking of one of the most senior members of the Cabinet. That is a classic example of the hugely important work performed by the Committee.

I commend the pivotal role that the Committee played in revealing the true extent of the crisis in the Home Office. I also commend the vital work that it does to safeguard taxpayers' money and protect and cement our democracy. I commend its reports to the House.

11.21 pm

The Financial Secretary to the Treasury (John Healey): It is a privilege to respond to the debate, and to the Chairman of the Public Accounts Committee and his colleagues. We have had a good and wide-ranging debate, which was led in an exemplary way by the hon. Member for Gainsborough (Mr. Leigh), who chairs the Committee. I was interested by the research that he had clearly done on the institution of the Public Accounts Committee. He traces the Committee back to the 17th century, which means that the Committee is not of a dissimilar age to the post of Financial Secretary to the Treasury, which I am privileged to occupy at present. The hon. Gentleman said that the characteristic of the Committee and its work was rightly objectivity over partisanship. Our debate has been conducted in such a tone.

Although this might not be obvious to some, the Government share many common aims with the Public Accounts Committee. They also appreciate the way in which the Committee helps them to deliver better value for money in public services, even if the Committee quite rightly makes the process rather uncomfortable at times for those involved.

I pay tribute to the work of the Committee and the Chairman of the Committee. The work load of the Committee is such that it meets twice a week and addresses a different issue each time. Anyone who has served on a Select Committee knows that that represents a formidable undertaking, and the Committee members carry out their work with great diligence and assiduousness.

I also formally recognise and pay tribute to the work of the Comptroller and Auditor General and the National Audit Office. They play an important role in supporting the work of the Public Accounts Committee, which, crucially for us all, is the principal way in which Parliament holds the Executive to account. The Committee is Parliament's leading voice in the cross-examination of the Executive.

In that respect, I am pleased to report the progress that has been made on the Company Law Reform Bill since we last debated the PAC in January. Subject to the approval of the House, the new legislation should enable the Comptroller and Auditor General to audit companies in central Government, hopefully from April next year. That will be a significant further step towards implementing the recommendations of Lord Sharman's report, "Holding to Account". One mark of the Treasury's respect for the NAO is the fact that my hon. Friend the Economic Secretary recently decided to ask it to conduct an independent review of the Financial Services Authority. That underlines the value that the Treasury places on the work of the NAO and especially the special commissions that it undertakes for us and other parts of the Government.

Mr. Bacon: I was pleased to hear the Economic Secretary's announcement that the Government had invited the NAO to look at the FSA, as that is a welcome development. However, on the subject of wider scrutiny, the PAC went to the United States, where the Government Accountability Office can follow the public dollar to state level. Indeed, we visited the GAO regional branch in Boston. Yesterday, I met the Auditor General for Wales, together with his staff in Cardiff, who can follow the public pound from the highest to the lowest level, which suggests that our arrangements, particularly for block grants via the Office of the Deputy Prime Minister to local government, leave a great deal to be desired. Obviously, the Audit Commission has separate responsibilities, but there is a case for increasing the NAO's capacity to dig deeper should it wish to do so.

John Healey: The hon. Gentleman has been a PAC member long enough to know that the NAO's capacity is essentially a matter for the House rather than the Treasury. However, there may well be a case for following the pound through, as he put it. I shall come on to the scrutiny of public spending, on which a number of hon. Members commented, but it is important to make a clearer link between budgeting, accounting and reporting in the House.

First, however, may I respond to the contribution of my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry)? Like the hon. Member for South Norfolk (Mr. Bacon), she mentioned the PAC's Washington visit, which clearly had a significant impact on the Committee. In discussing the Committee's 36th report, she rightly said that the simplification unit and other programmes that had been put in place were a direct result of the PAC inquiry and report. That underlines the point made by the Chairman that 94 per cent. of the Committee's recommendations have been accepted by Government. The hon. Member for South Norfolk dwelt at length on NHS information systems and development. The subject was not a formal part of our debate, as Mr. Speaker reminded him, but I am sure that the PAC will return to it again and again. I am sure, too, that we will have a chance to debate it properly.

Like the hon. Member for Gainsborough, the hon. Member for South Norfolk spoke strongly about the problem with the Home Office accounts. The Treasury shares those serious concerns. To put it bluntly, the Home Office failed to achieve the professional standards expected of it—the introduction of new accounting software is a routine challenge that Departments should be able to meet. With the support and active involvement of the NAO and the Treasury, the Home Office is working to remedy those shortcomings and to deal with weaknesses under the guidance of its audit committee and accounting officer, who are striving to do as thorough a job as possible, given the limited quality of the available data and the position at the beginning of the year. As for wider financial skills across Government, more than 70 per cent. of Departments, including the Home Office, now have professionally qualified finance directors. A further improvement is evident in their capacity to lay their resource accounts before Parliament before the recess. Some 86 per cent. of departmental accounts are expected to be laid before the summer recess, compared with 51 per cent. last year.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) spoke about the 17th report of the Committee—an extremely important report that draws on the experience of the Public Accounts Committee over recent years and which, like my hon. Friend's contribution, draws on good examples as well as bad in public service and project delivery. She cited the benefit modernisation programme, where order books were replaced by 2.5 million direct payments into bank accounts on time and on budget. My hon. Friend might have cited some of the other subjects that have been covered by PAC hearings of a similar nature—for example, NHS emergency care. Thirty-nine out of 40 of those using accident and emergency departments are now seen within four hours, even though since 1997 the numbers attending A and E are up by 39 per cent.

As the hon. Member for Gainsborough reminded us, the importance of public services is ultimately in the impact that they have on users. The PAC held a hearing on cancer mortality and confirmed that between 1996 and 2003 it went down 14 per cent. for those over 75. In relation to the Treasury's more direct responsibilities, the online filing of self-assessment returns in 2006 meant that nearly 2 million taxpayers filed online. The system coped with enormous peak demands—more than 150 returns a minute at one point—a very significant and successful implementation of a major programme.

My hon. Friend the Member for Bishop Auckland also spoke about the importance of efficiency and the interim report on the comprehensive spending review that my hon. Friend the Chief Secretary published last week. Although it was published only last week, my hon. Friend the Member for Bishop Auckland has obviously taken a preliminary look at some of the ways that we can deliver savings of at least 2.5 per cent. a year in the CSR 2007 period. I know that my hon. Friend the Chief Secretary is working with the Public Accounts Committee to try and establish ways in which the Committee can be as closely involved as possible in the efficiency programme, so that members of the Committee can be confident that they understand the efficiency gains being made without encouraging Departments to concentrate on getting good public reports, rather than achieving the efficiencies required.

The hon. Member for Somerton and Frome (Mr. Heath) stressed that the PAC's reports and its

[John Healey]

work are not all about bad practice, and that they contain some examples of excellent practice, as he put it. He is not a member of the Committee. I think he is the only Member contributing tonight who is not a member of the Public Accounts Committee, apart from the hon. Member for Chipping Barnet (Mrs. Villiers), who speaks from the Conservative Front Bench. The hon. Member for Somerton and Frome demonstrated the breadth of his interests by dealing with concerns in the Home Office, the Environment Agency, Her Majesty's Revenue and Customs, and even his Somerset villages, which are, rather surprisingly, well served by the Environment Agency Wales for flood protection measures.

My hon. Friend the Member for Tooting (Mr. Khan) picked an interesting report as the focus of his speech—the 22nd report, which looked at maintaining and improving Britain's railway stations. That inquiry by the PAC highlighted the poor state of many stations, particularly in respect of access for disabled people and security. In responding to the report, the Government made it clear that Network Rail is fully funded to maintain the fabric of its stations, and train operators should have priced station upkeep into their bids.

My hon. Friend's remarks demonstrated how the National Audit Office can shine a forensic light on an overlooked part of public service and public spending and study that. The PAC can then hold its inquiry and report. It is part of building up parliamentary and public pressure to bring about reform, change and improvement. I pay tribute to the way my hon. Friend is clearly following up the PAC's work on the subject and will not let the issue go.

Mr. Bacon: I am grateful to the Financial Secretary, who is being very generous. With reference to the contribution of the hon. Member for Tooting (Mr. Khan), I had a chance to go to the Table Office and look at early-day motion 911, which I commend to all hon. Members. I have just signed it.

John Healey: I am glad to hear that the hon. Gentleman is continuing the bipartisan tradition of the PAC.

When my hon. Friend the Member for Tooting dealt with the 37th report, he gave the other side of the tax credit story from the one given by the hon. Members for Somerton and Frome, for Chipping Barnet and for Tunbridge Wells (Greg Clark). My hon. Friend was right to say that end-of-year adjustments are inevitable in a system that is designed to be flexible in responding to the changing circumstances of families. The policy and operational changes that my right hon. Friend the Paymaster General has announced are designed to ease some of the problems inherent in that approach.

The hon. Member for Tunbridge Wells discussed tax credits, the report on the Office of Fair Trading and audit access to the BBC, as did the hon. Member for Chipping Barnet. NAO access to the BBC was considered as part of the charter review. Current arrangements involve the BBC's audit committee holding discussions with the Comptroller and Auditor General, with the aim of framing a programme of reviews that the NAO can carry out. That is an important step forward. I should point out that the BBC is not part of government—an important principle and fact to remember—and that it is not, as the hon. Member for Chipping Barnet argued, directly comparable with a Government Department. The importance of its independence is part of the reason why the current arrangements are the right next step to be taken.

Greg Clark: In that case, how does the Financial Secretary account for the fact that the NAO has access to the World Service, to which questions of independence apply in just the same way?

John Healey: As an independent corporation, the BBC is determining—now in close in consultation, and then with the NAO carrying out much of this audit work—the appropriate audit programme for its activities. That seems to me the right way to proceed.

My hon. Friend the Member for Glasgow, South-West (Mr. Davidson) brought an element of entertainment, as well as enlightenment, late on in our proceedings, but he also brought to bear his long experience on the Committee and made two particularly serious points. First, he pointed out that the PAC is perhaps the one body that can be consistently and forensically critical of the Executive's operation without being partisan. It is therefore not only fulfilling a very special role in the scrutiny of government in England and Wales, but clearly playing an important part during the period of the Northern Ireland Assembly's suspension.

My hon. Friend the Member for Glasgow, South-West also argued, importantly, for the assessment of social class being a more regular feature of the way that the NAO studies the pattern of provision of, and the impact of, public services. He is right to stress that, because it is an important element in securing the equity in public service delivery that the hon. Member for Gainsborough identified as one of his six key ingredients in the report published today.

Although there have been no specific PAC hearings this year on the private finance initiative, the hon. Member for Chipping Barnet talked about the Norfolk and Norwich PFI hospital. I remind her that that PFI project opened early and on budget; the problems that the NAO and the PAC examined were to do with the refinancing of that deal. Lessons have therefore subsequently been learned, and all refinancing gains from September 2002 are now shared 50:50 between the public and private sectors. The Treasury has set up a taskforce to assist with refinancing deals in the public sector, as they become a more relevant feature of the conduct of PFI contracts.

In the short time left, I want to touch on three points that the hon. Member for Gainsborough stressed: the comprehensive spending review, this House's scrutiny of public expenditure, and the report that his Committee published this morning. The CSR 2007 provides us with an opportunity for a fundamental review of the balance and pattern of public expenditure. We will take account of what investments and reforms have been delivered to date. We will identify what more needs to be done to meet the challenges and the opportunities that are ahead in the next decade and beyond.

The interim report that was published by the Treasury last Thursday is an important part of that process. However, in all the assessments that we make as part of the comprehensive review process we will use the lessons that can be learned from the work of the PAC. The seriousness and the rigour with which we are determined to approach the comprehensive spending review is demonstrated by the early settlements that were made and announced in the Budget, where for the Department for Work and Pensions, the Cabinet Office, Her Majesty's Revenue and Customs and the Treasury the expenditure limits will fall by 5 per cent. a year in cash terms over the CSR period. The reason for doing this is that it will release almost £2 billion that we can redeploy to our priorities and to front-line services.

I move on to the parliamentary scrutiny of expenditure while I am on the theme of departmental expenditure. I am interested to note that this month the PAC is inviting the Chairman of the Liaison Committee to encourage the departmental Select Committees to devote more time to the scrutiny of expenditure plans. That is an important role for the PAC. The rights and privileges of the elected House of Commons to scrutinise public expenditure are a fundamental part of our democracy and an essential part of our parliamentary system. I welcome, therefore, the PAC's paper, which was published earlier this month. I welcome also the report that was published recently by the Hansard Society called "The Fiscal Maze". It, too, looks at the challenge of how Parliament can scrutinise more effectively the expenditure of the Executive. It is clear from the arguments set out in the Hansard Society's report—it is also the view of the PAC—that we need to introduce a more systematic and challenging parliamentary scrutiny of spending plans. I believe that we need to be able to link more directly the process and scrutiny of estimates, budgets and accounts. In large part, that is a challenge for Parliament. However, the Treasury stands ready to work with Parliament on establishing workable arrangements for improving parliamentary scrutiny of planned spending.

Today, there was published the 63rd report this Session of the PAC, which I welcome. It builds on the 17th report, which was the major focus of our debate in January. It provides a good framework that Departments and public bodies could use when designing and delivering high-quality public services. The 10 steps that it sets out to achieve successful and high quality services probably provide a sound basis for the development of better public services. The six key ingredients that the hon. Member for Gainsborough identified and stressed are also a useful perspective. I am confident that the Government will be able to respond positively to the report within a couple of months.

The PAC, with the National Audit Office, brings an intense inquiry and analysis to the shortcomings of Government. I am reminded of the words of Edward Phelps, who in the 19th century was the Second Comptroller of the US Treasury. I am prompted by the comments of several Members in the debate to say that it is the examples of good as well as of bad that need to be considered. If we concentrate on the bad, there are risks. Edward Phelps said:

> "The man who makes no mistakes does not usually make anything."

The most important thing to do when things go wrong is to learn from the event. Undoubtedly, the work of the PAC helps us to do just that. As Cicero said,

> "Any man may make a mistake but none but a fool will continue in it."

I commend the work of the PAC. I commend the 63 reports produced by the PAC this Session. The Committee carries out important work on behalf of the House and also on behalf of the taxpayer and public service users.

11.44 pm

Mr. Leigh: With permission, Madam Deputy Speaker, I shall briefly sum up and, in particular, thank the Financial Secretary, who has just given a model summing up for a debate. He made an effort to go through every speech and ended with an important point about increasing financial scrutiny by the House of the whole budget process. When I started this process, I think that there was some scepticism about whether other Select Committees would be sufficiently interested in these issues, because in recent years they have tended to concentrate on policy. Following what the Financial Secretary said today, we have had an extremely important pointer now that the Treasury in a sense is giving a green light to the process upon which the Liaison Committee is embarking. Our meeting in October or November will be very important. I am particularly grateful for what the Financial Secretary said.

I apologise for the fact that I cannot at this late hour indulge in Ciceronian poetry and prose—I wish that I could. All I can do is briefly thank those hon. Members who have taken part. However, I should say to the hon. Member for Somerton and Frome (Mr. Heath) that he made an important point. We are talking about the scrutiny of £500 billion-worth of expenditure. The main part of parliamentary scrutiny lies in this Committee, and it is unfortunate that this debate has lost some of its zest in recent years and is dominated only by members of the Committee. I wish that we could find some way of getting other hon. Members to take more of an interest in these debates, but I say to the business managers that we will certainly not do that if we are still debating these issues at a quarter to midnight. We must pursue this, and I am grateful to the hon. Gentleman for what he said.

The hon. Member for Tooting (Mr. Khan) made a fundamental point, and the Financial Secretary made this point too, when he said that this is the one Committee that can be a critical friend of Government without being partisan. We take enormous care to try to ensure that our reports are balanced, that we encourage risk taking—the Financial Secretary quoted Edward Phelps on risk taking—and enormous care is taken with the press releases. The trouble is that whether it is the "Today" programme or newspapers, the media are not generally interested in good news. I apologise for that, but as politicians we recognise that that is the nature of our business, so we try to be a critical friend.

I thank also the hon. Member for Portsmouth, North (Sarah McCarthy-Fry); my hon. Friend the Member for South Norfolk (Mr. Bacon), who reminded us that to err is human, but for a really

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monumental cock-up, hire a new computer system; the hon. Member for Bishop Auckland (Helen Goodman), who dealt so effectively with the need for efficiency gains; the hon. Member for Tooting, to whom I have already referred; my comrade friend the hon. Member for Glasgow, South-West (Mr. Davidson); and my hon. Friends the Members for Chipping Barnet (Mrs. Villiers) and for Tunbridge Wells (Greg Clark), who brings a superbly gifted forensic mind to our debates.

We have had a good debate and we look forward to our next six months of work.

Question put and agreed to.

Resolved,

That this House takes note of the 4th, the 7th to the 9th, the 12th to the 34th and the 36th to the 42nd Reports, and the Second Special Report from the Committee of Public Accounts of Session 2005-06, and of the Treasury Minutes and the Northern Ireland Department of Finance and Personnel Memoranda on these Reports, Cm 6699, 6728, 6743, 6766, 6775, 6789, 6843, 6863 and 6884.

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): I propose to put together the Questions on the two motions on terms and conditions of employment.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

TERMS AND CONDITIONS OF EMPLOYMENT

That the draft Adoption and Children Act 2002 (Consequential Amendment to Statutory Adoption Pay) Order 2006, which was laid before this House on 27th June, be approved.

That the draft Maternity and Parental Leave etc. and the Paternity and Adoption Leave (Amendment) Regulations 2006, which were laid before this House on 27th June, be approved.—*[Huw Irranca-Davies.]*

REGULATORY REFORM

Motion made, and Question put forthwith, pursuant to Standing Order No. 18(1)(a) (Consideration of Draft Regulatory Reform Orders).

That the draft Regulatory Reform (Registered Designs) Order 2006, which was laid before this House on 19th June, be approved.—*[Huw Irranca-Davies.]*

PETITIONS

Sustainable Development

11.48 pm

Mr. David Lidington (Aylesbury) (Con): I beg to present a petition signed by my constituents and also by many constituents of my hon. Friend the Member for Buckingham (John Bercow). The preamble reads:

> The petition of the citizens of Buckinghamshire and others,
>
> Declares that for any community to be "sustainable", the plans for its expansion must be supported by adequate improvements to the local infrastructure and environment, including improvements to the public transport, the road and rail network and health and education services.

The petition has been signed by elected representatives from all political parties in my area, by members of Buckinghamshire county council, Aylesbury Vale district council, Aylesbury town council, parish councillors from Wendover, Stoke Mandeville, Watermead, Waddesdon, Oving, Aston Clinton, Whitchurch and Weston Turville, as well as by citizens from those places and from Haddenham, Stone, Bierton and Weedon.

Their common concern is that the Government, who are imposing upon those communities ambitious plans for large-scale housing expansion, should accept their responsibility to plan for and finance the public services and the infrastructure needed to make those developments truly sustainable.

To lie upon the Table.

Post Offices

11.49 pm

Mr. Philip Dunne (Ludlow) (Con): I rise to present a petition to the House which has been signed by 4,272 constituents, including a number from across the river in the constituency of the hon. Member for Brecon and Radnorshire (Mr. Williams). The petition reflects my constituents' concern about the threats to their post offices posed by the intended cancellation of the Post Office card account.

The petition states:

> The petition of users of the following post offices:
>
> All Stretton, Alveley, Aston on Clun, Aston Munslow, Beguildy, Bent Lont, Bishop's Castle, Bridgnorth, Bromfield, Bucknell, Chirbury, Church Stretton, Claverley, Clee Hill, Cleobury Mortimer, Cleobury North, Clun, Craven Arms, Ditton Priors, East Hamlet Ludlow, Garden Village Highley, Highley, Knowbury, Ludlow, Lydbury North, Much Wenlock, Newcastle, Norton, Oreton, Sydney Cottage Drive Bridgnorth, the Hobbins, Wentnor, Worfield and Worthen
>
> Declare that the petitioners are concerned by the threat posed to their local post office from withdrawal of the Post Office Card Account in 2010.
>
> The Petitioners therefore request that the House of Commons make the Department of Work and Pensions aware of the petitioners' concerns and urge the Secretary of State for Work and Pensions to reconsider the withdrawal of Post Office Card Accounts.
>
> And the Petitioners remain, etc.

To lie upon the Table.

Police Force Amalgamations (Wales)

Motion made, and Question proposed, That this House do now adjourn.—*[Huw Irranca-Davies.]*

11.51 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): We have been told that the two main drivers for the proposed reorganisation of police forces were the inability of smaller forces to deal with, first, terrorism and secondly, organised crime, but I venture to suggest that neither argument is sustainable.

I base my view on the fact that there are several avenues of good co-operation between Welsh forces and those over the border in West Mercia, Avon and Somerset, West Midlands, Cheshire and so on. We have been told that the size of those forces means that they cannot deal with the worst organised crime. I pray in aid the recent operation between South Wales police, Gwent police and the Avon and Somerset constabulary, which netted some of the most dangerous criminals in the UK, who were hell bent on bringing crack cocaine into south Wales, having already flooded the market in the Bristol area. They were heavily armed and very dangerous people. In large part, they are behind bars, which is directly because of the excellent understanding between the Avon and Somerset constabulary, Gwent police and South Wales police.

We are meant to rely on the Her Majesty's inspectorate of constabulary report, "Closing the Gap". Many people have criticised that report, and I shall quote its author, Denis O'Connor:

> "Being bigger is not enough to guarantee strong protective services. The environment (situation) also matters. For example, the presence of cities, ports or events (ie. repeated exposure to risks and challenges) also enhance the repertoire of protective services that forces offer the public. Able leadership can also be influential in allowing smaller forces to punch above their weight on these issues."

He goes on,

> "there are outliers: some smaller forces were almost as successful as the majority of larger forces, whilst two relatively larger forces...received surprisingly low scores".

In December 2005, Anthony Lawrance, professor of statistics at the university of Warwick, was commissioned by West Mercia police authority to scrutinise the report. He said that the HMIC report based its amalgamation recommendation on the crucial statistical finding that in level 2 crime policing, bigger equals better. He questions the reliability of the scoring method used for each force, the statistical soundness of the claimed connection between size and effectiveness, and HMIC's misleading presentation of its data. He goes on to say that the conclusions are not sound and that the graphs were not properly drawn and were hardly representative of anything. He says that one graph was uninformative and meaningless—

> "an almost perfect example of how not to present a graph—no scales on either axis, no data plotted to justify the lines drawn. It is almost impossible to obtain any critical understanding from it".

That is a pretty damning critique of the report.

I pay tribute to the Minister, who is new in the job and comes to this with an open mind, which is to the good. There is excellent day-to-day co-operation between the south Wales forces and over the border. Dyfed Powys and West Mercia liaise frequently. From my experience of dealing with legal matters, I have seen daily liaison between the North Wales police, Cheshire and Merseyside.

Mark Tami (Alyn and Deeside) (Lab): I, too, have major concerns about an all-Wales force. Equally, however, does the hon. Gentleman accept that we should not lose sight of the fact that there must be considerable savings to be made? Four separate forces means four separate IT systems, four separate personnel systems and so on. That is surely madness, and a lot of the money saved could be returned to front-line services.

Mr. Llwyd: That is probably right, but the figures that we have received from the Home Office suggest start-up costs of anything between £35 million and £50 million, and given the deficits projected, for example, by North Wales police it would take a devil of a long time to recover any savings.

There is concern about the way in which the consultation was rushed through. That is not this Minister's responsibility, and I do not allege that it is. Many of the crucial questions, including those of financing, have never been properly answered. There may now be a partial reprieve, perhaps because of the Cleveland case in the High Court or because the Minister has taken stock of the situation. I am sure that he recognises that there are substantial debates to be had on this subject.

Only a few months ago, HMIC gave all four Welsh forces a glowing report. They have improved in many ways, and they were good previously. During the past 15 years, Dyfed Powys and North Wales in particular have consistently been in the upper quartile for semi-rural forces in England and Wales.

North Wales police have undertaken a consultation and received 90 letters from community councils in north Wales. They made different points but all were against any forced amalgamation. There has been an overwhelming response in the North Wales police area and in every other area—Gwent, South Wales and Dyfed Powys. I venture to suggest that those are important submissions that need to be taken on board.

Earlier this month, a submission was made by the clerk to the North Wales police authority. One of the points that he made was that the travelling distance between Holyhead and Cardiff is slightly longer than that between central London and Preston. That gives some idea of the likely problems that might occur. He also refers to the council tax equalisation problem and the likely capping criterion of 5 per cent., which would undoubtedly result in a black hole. He refers to future funding, the annual deficit of £29.9 million rising to just over £50 million in 2012 and the funding formula. The other week, an amendment was passed in another place that made agreement a precondition of amalgamation and provided that it should not be forced through.

I am sure that the Minister will deal with some of those points when he responds. However, I do not believe that any rigorous analysis has been carried out, especially of financing, which must be a crucial factor in policing nowadays. When senior police officers, police authorities and many people who know about

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policing in Wales speak with one voice, it is time to listen. I am sure that the Minister will take that on board.

I hope that the dialogue that takes place in the coming months will not be one-sided—I appreciate that that may be a misnomer. However, there is genuine concern that there should be proper dialogue about the matter. Nigel Thomas, the treasurer of North Wales police, has referred to the recurring deficit of £51 million. I understand that the Home Office had earmarked £120 million towards the merger plans, but that leaves a shortfall of hundreds of millions of pounds in creating the regime that the Home Office tried to impose. The North Wales share of that would go a long way towards achieving the necessary improvements in protective services.

Everybody realises that policing changes as time passes because crime changes. Crime is becoming far more difficult to detect, criminals are becoming more adept at IT and so on. That is beyond argument. However, the arguments for an all-Wales police force have not been persuasive from the beginning.

Hywel Williams (Caernarfon) (PC): Is it not strange that the motivation for reorganisation that the Government present is to do with operational matters—a response perhaps to triple murders in Holyhead or terrorist outrages—but that the arguments of the hon. Member for Alyn and Deeside (Mark Tami) were essentially financial? They have some force, but they are not the arguments that the Government present.

Mr. Llwyd: Yes. The other disappointing point is that the National Assembly for Wales was not brought into the debate, although it contributes £144 million per annum to the Welsh policing budget.

Last week, on the day that the Minister announced the Government's latest position in Millbank tower, I raised a point of order to suggest that it might be better to make that statement in the House. That is the reason for the debate. The Home Secretary responded by saying that there was no policy change but that police authorities would no longer be forced to merge. If only two of the 41 current police authorities have volunteered to amalgamate, how is it possible to proceed with wholesale amalgamation in the face of such relentless opposition? The announcement amounts to a policy change.

I ask the Minister to tackle one or two points in his response. Doubtless he will confirm whether forced amalgamations have been ditched. If the planned mergers have not been shelved, where are we on the "destination" to which the Home Secretary refers so often? We deserve to know.

A huge amount of time, energy and cost has been expended in Wales on trying to make sense of the merger. It was made far more expensive by the fact that all the authorities remained largely in the dark about cost, council tax precepts, set-up costs, revenue and continuing costs. Those fundamental matters had to be guessed. That is no way to run a modern police force.

I welcome the statement that there will be no forced mergers, if indeed that was the purport of the statement. Forced mergers could end up being the worst possible option—a shotgun marriage, to use an old and rather outmoded term. If the Minister cannot confirm that forced mergers are a dead duck, can he confirm that the Home Office will have a completely open mind on the issues of federation? I would not like this matter to arise again in 12 months' time. The four authorities are working hard to produce a plan for federation, and it must not be dismissed out of hand.

Will the Minister deal with those points in his response? First, can he confirm that forced amalgamations are no longer the destination referred to by the Home Secretary? Secondly, if there is to be further change on a voluntary basis, will the Home Office keep an open mind on the question of plans for federation? Those are the points that I wanted to raise this evening, and I am sure that the Minister will deal with them.

12.5 am

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): I congratulate the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) on securing this debate. I shall deal with each of the points that he has raised in his usual eloquent fashion, but I have to tell him that he is a bit behind the times, given the journey that we have travelled over the past couple of weeks. I shall return to that point later.

When my private office received the joyous news last Thursday that the hon. Gentleman had secured this debate, I was not in Westminster. I was in Cardiff, meeting the chairs of the four Welsh police authorities, members of the Social Justice and Regeneration Committee of the Welsh Assembly and members of the Welsh Local Government Association, precisely to talk about the future of policing in Wales, given that restructuring was not on the agenda. Sadly, following on from those meetings, the only matter of substance that Plaid Cymru could come up with involved a member of its committee suggesting that there had been chaos because the meeting with the committee had been on, then off, then on, then off again. That member made a rather petty and petulant point that was neither here nor there in relation to the serious issue of policing in Wales.

Before that, I had met the chief constables of the four Welsh police forces and the Minister for Social Justice and Regeneration in the Welsh Assembly to talk about these matters. The hon. Gentleman will be aware that a debate on this matter was initiated recently by the hon. Member for Preseli Pembrokeshire (Mr. Crabb). I also gave oral evidence on this matter for the best part of an hour to the Welsh Affairs Committee. I have also liaised closely with the Secretary of State for Wales and the Under-Secretary of State for Wales on the issue. Welsh interests have therefore been uppermost in my mind in recent weeks. I have also met the Welsh group of Labour MPs and had a range of meetings—individual and otherwise—with Labour MPs from north Wales. I have been in my present post for only six weeks, but I have not had any requests for a meeting with members of Plaid Cymru.

Mr. Llwyd: The Minister seems to be finding opportunities to make political points, despite the fact

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that I went out of my way to say that the way in which he was dealing with this matter was not unreasonable. I am just asking for clarity. I spoke earlier to right hon. and hon. Members of his own party, who, like me, are in the dark as to what is going on. I am simply asking for clarification.

Mr. McNulty: That is what I am seeking to give the House, but it was important for me to put the context on record. I had very fruitful meetings with each of those bodies last week, and I shall tell the House precisely what I said to them in a moment.

I cannot agree with the hon. Gentleman's opening statement—in which he prayed in aid a statistician—that the essence of "Closing the Gap" in regard to the difficulties that we face, principally outside London throughout England and Wales, in terms of level 2 services, counter-terrorism provision and serious and organised crime, is somehow traduced by a statistician trying to demolish the substance of O'Connor's report. Almost to a man and a woman, those with whom I have engaged on this matter, regardless of their position on mergers, accept as the starting premise that there are serious gaps at level 2, in counter-terrorism provision, which must be filled.

I turn briefly to the hon. Gentleman's point about my speech to the Local Government Association at Millbank. It was not a change in policy. It could not have been a change in policy given that some two weeks beforehand my right hon. Friend the Home Secretary had made it very clear to the House that we were not going to lay the orders for enforced mergers as outlined in the timetable, which, as the hon. Gentleman will know, had Wales in the first tier. My right hon. Friend said on 19 June:

> "I have already made it plain that there is no need for anyone to panic over time, because I will not lay orders on enforced change."—[*Official Report*, 19 June 2006; Vol. 447, c. 1059.]

That was our position then, and it remains so. Enforced mergers are not on the cards, and we will not, as my right hon. Friend indicated, be laying those orders. Indeed, as a natural consequence of that announcement during Home Office questions, the notices of intention to lay orders to merge that were issued to the four Welsh police authorities and forces on 3 March were withdrawn on 13 July. That is a legal technicality, but those orders, on that timetable, are no longer on the agenda.

That has nothing to do with Cleveland and nothing to do with any amendment passed in the House of Lords. It is simply a sign of a reflective, listening Government who have taken into account objections. Any number of forces, in England as well as in Wales, have said, "Yes, we agree with the starting premise on level 2 protective services, but we think that there are other ways to achieve those ends." In response, we have afforded police authorities and forces the time to establish whether they can achieve those ends.

I accept the hon. Gentleman's point—I said this in Cardiff—that apart from level 2 protective services, this is not about there being anything wrong in substance with any of the four Welsh forces. As he said, they have made huge advances over the last 10 or 15 years. None the less, a gap remains. We were trying to seek, in the Police and Justice Bill, any number of accommodations for the peculiarities of the Welsh situation—that is now history, albeit recent—not least because of pressure from my Welsh colleagues. We tried to reflect concerns of geography by having an additional deputy chief constable in Wales should the merger proceed. We tried to reflect geographic disparity by providing scope for area committees.

I want to make two points about our starting premise now. First, for the sake of absolute clarity and accuracy about statute, forced mergers remain on the books. I will be urging the House, in October or November, to overturn the Lords amendment to which the hon. Gentleman referred which effectively says there will be no enforced mergers by the Home Secretary and that mergers must now start from an agreed position.

The situation is not terribly confusing, I hope. On 19 June, the Home Secretary said that we would withdraw enforced mergers, and we subsequently took the orders off the table. We are not proceeding with that timetable. For the foreseeable future there will be no enforced mergers. What I cannot do, which is why I shall be asking the House to resist the Lords amendment, is say that in all circumstances, in all our subsequent open discussions, to which I shall try to return if I have the time, every single force in the country will give me and the Home Secretary a 100 per cent. guarantee that they can fill the gaps in protective services and counter-terrorism by every other route except merger. There may be some forces that still have to merge. They may not choose to do so, but it may still be overwhelmingly in the interest of public safety that they merge. A year or 18 months or so down the line, if we come to that conclusion for any two, three or four forces, the Home Secretary will need to have the route of enforced mergers open to him. That is still on the books, and as I hope the House will agree, we will not accept the notion that there can no longer be enforced mergers by the Home Secretary.

In the current context, as I said clearly in Cardiff last week and have said previously, the starting premise must be that police forces and authorities in Wales are the very people who understand the challenges of policing in Wales and are best placed to set out how we can best improve protective services. I agree with the hon. Gentleman that there has been significant co-operation between the four forces. That is not a moot or tangential point. My hon. Friend the Member for Alyn and Deeside (Mark Tami) had a point in suggesting that there is scope for the four forces to share services, including many of the back-room ones. Members of the Welsh Affairs Committee made many points in that regard. I want to engage with colleagues in Wales as openly as possible to explore all those options.

In the first instance, it must be right that, having listened to the dissenting voices and those who did not want to merge voluntarily, we sit down and work out how to take this proposal forward, recognising the gaps. I promise to come to the discussion with the open mind that the hon. Gentleman suggests, but I would still prefer an all-Wales solution. I do not resile from the suggestion in the O'Connor report that a merged force is possibly the best option. Plenty of other people, however, have far more experience and expertise than me in police matters in Wales, and we are giving them the time and scope to present their case.

[Mr. McNulty]

To be momentarily pedantic—I am not usually pedantic—the hon. Gentleman is entirely wrong to suggest that only two forces sought to merge voluntarily. Only two forces sought to merge with each other voluntarily, but invariably, in every other region, at least two out of three or three out of four forces wanted to merge voluntarily, but a third or fourth force did not. In the north-east, for instance, Cleveland sought not to do so, but Durham and Northumbria were perfectly happy to merge. It is a pedantic point, but I felt that I should make it none the less.

I also want to get to the stage in discussions with Welsh colleagues where we can restore—I think that that is the right word—the issue about filling the gap at level 2, counter-terrorism and serious organised crime, in relation to our overall collective vision for policing in Wales and everywhere else. We got slightly lost in an overtly structural debate on process that was devoid of discussion of how filling the gap at level 2 relates to all the points about area committees, governance, finance and council tax equalisation that the hon. Gentleman mentioned, as well as to the relationship between the region, areas, basic command units and neighbourhood policing.

In considering strategic forces in great detail and the preferred solution of mergers, part of the thrust was precisely to protect neighbourhood policing teams from abstraction every time that there was a serious event, incident or investigation. I still think that that is a model that works. I said to colleagues in Cardiff last week, and I say to the hon. Gentleman, that no element of the discussions with the four forces about shared services, collaboration, federation, back-office rationalisation or merger should preclude the fruitful cross-border co-operation with Cheshire and Merseyside, West Mercia and Avon and Somerset, which can be built on.

If we are considering lead force models, with one of the four forces leading on terrorism, one on serious and organised crime and so on—a sort of evolving Association of Chief Police Officers model for everything short of merger—even that is better discussed in the context of an all-Wales solution. That does not preclude cross-border co-operation at all. With regard to the events mentioned by the hon. Gentleman, I congratulate forces such as Dyfed Powys and others on their co-operation. However, much can still be done, short of merger, with regard to the four forces.

As the hon. Gentleman's colleagues may have told him, a tortuous analogy was going round in my head when I was down in Cardiff. In the morning, I got off at Newport and looked at some neighbourhood policing there. I thought, "Imagine a train journey from London. Everyone has told me that I need not go to Cardiff to enjoy all the richness of Wales: I can get off at Newport." If Newport represents what we have been discussing—co-operation, collaboration and all those other models—and all the gaps in level 2 policing are filled in the way that I require, I am quite happy not to stay on the train to Cardiff, which, in my tortuous analogy, represents the full merger model.

That did not work terribly well during my meetings either, so I stopped eventually, but I think the hon. Gentleman gets the point.

I now want, across all parties and agencies—including the Welsh Assembly Government, of course, but this remains a non-devolved matter—serious, fruitful, productive discussion on the way forward for policing in Wales. I believe that last Thursday started that process. I am more than happy to meet the hon. Gentleman and his colleagues, as I have already met Labour colleagues and others. I think there can be a way forward. I await with interest the plans and solutions suggested—everything short of merger—to deal with these important issues over the coming months, and I hope that we end up at Newport rather than Cardiff.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes past Twelve midnight.

House of Commons

Wednesday 19 July 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Casinos

1. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): Which casinos he has visited in the course of his ministerial duties since 1 May 1997. [86189]

The Deputy Prime Minister (Mr. John Prescott): On 28 November 2004, I was in Sydney on official business to discuss the legacy of the Olympic games and the regeneration of the former Olympic sites. I visited the Star City casino, which is part of a major waterfront regeneration scheme in the city that I discussed with the Premier of New South Wales, Bob Carr. I was accompanied by a number of officials, including my permanent secretary and the chief executive of English Partnerships. I have not visited any other casinos.

Mr. Hands: By giving such privileged access to one of the bidders, has not the Deputy Prime Minister seriously compromised the whole process of bidding for Britain's only regional casino?

The Deputy Prime Minister: I think that the hon. Gentleman has been reading too many press cuttings. Let us be clear, as I have been: I was not associated in any way with the planning or sale of the dome. The decisions were made in the Department by other Ministers, and I informed the House about them. As for my meeting with Mr. Anschutz, I promised when I first met him that we would meet regularly to ensure that he was fulfilling the obligations involved in the development of the dome—which meant 10,000 new homes, 24,000 jobs and £5 billion of private investment. I am quite prepared to meet people who provide jobs and investment of that kind, and it was quite right.

Mr. Lindsay Hoyle (Chorley) (Lab): The Deputy Prime Minister rightly says that he had no influence in relation to the dome and the establishment of a casino there, but may I ask him to use his influence in relation to the one casino for this country? May I ask him to support the siting of the casino in Lancashire, where it will regenerate the area and bring many thousands of jobs? Such an establishment is greatly needed in Lancashire.

The Deputy Prime Minister: I understand why my hon. Friend advocates placing a casino in Lancashire, but I assure him that I am not involved in any such decisions. The House decided that there would be an independent commission to decide how many casinos there should be and where they should be placed. The commission will report to the Secretary of State, who will come here and present recommendations to the House. Every Member will then be able to make his or her own decision on which recommendation to support. That is what the House decided, and every one of us will be involved in the subsequent decision.

Dr. Vincent Cable (Twickenham) (LD): During his various discussions with Mr. Anschutz and the Attorney-General, was the Deputy Prime Minister aware that the potential value of a dome casino licence was about £250 million? In view of the large sums involved, was his primary duty to avoid discussing the matter because of conflicts of interest, or to discuss it in order to secure a better deal on the dome site?

The Deputy Prime Minister: I was not involved in any discussions with Mr. Anschutz about the casino. As for the amount and the value, I saw in Australia that there are major regeneration benefits—to which my hon. Friend the Member for Chorley (Mr. Hoyle) has referred—but I have not been involved in any decisions on the casino, and I think that my action was right and proper.

2. **Michael Gove** (Surrey Heath) (Con): What role he has in the effective development of Government policy on planning in relation to gambling facilities. [86190]

The Deputy Prime Minister (Mr. John Prescott): As a Minister, I have no specific role in relation to gambling or planning, but as a parliamentarian I have exactly the same say as Opposition Members, because—as I have explained—in this House Members will have the final say on the location of any casinos. The Department for Culture, Media and Sport is responsible for gambling policy, and the Department for Communities and Local Government is responsible for planning policy.

Michael Gove: Given the responsibilities that the Deputy Prime Minister used to exercise in the office of Deputy Prime Minister, will he take legal advice on whether he is in breach of the Prevention of Corruption Act 1916 and report back to the House, in the light of that Act's provisions, on how Government lawyers view his receipt of gifts and hospitality from Mr. Philip Anschutz?

The Deputy Prime Minister: That is typical of the wild charges that the hon. Gentleman used to make when he wrote his articles in *The Times*. Let me make it clear that I do not believe that any act of corruption has been committed. If the hon. Gentleman has any evidence he should provide it, rather than just making the allegations here.

Sir Nicholas Winterton (Macclesfield) (Con): The Deputy Prime Minister is a man of influence within Government. Will he take it from me that there is deep concern about the impact of gambling on indebtedness, which is increasing in this country? Will he ensure that all individuals and organisations making a bid for regional gambling centres are organisations and individuals of the very highest integrity?

The Deputy Prime Minister: The hon. Gentleman is well aware that in discussions on the Gambling Bill—there was also pre-legislative scrutiny—a lot of consultation and debate took place, as the legislation was controversial. All views were expressed in the House, which finally came to a decision. I think that that decision was right and we must wait and see how it develops.

Mr. David Winnick (Walsall, North) (Lab): I am not an enthusiast for gambling, grand casinos or anything of that kind, as I have made clear previously, but is my right hon. Friend aware that Labour Members totally reject all the innuendos to the effect that he is somehow corrupt or dishonest? Whatever mistakes may have been made here or there, we know about the great contribution that he has made to the Government and to the Labour party and movement over many years.

The Deputy Prime Minister: I am grateful for my hon. Friend's support, though I do not expect it from Conservative Members. However, when it comes to accusations of corruption, Members must make a serious judgment. There is no corruption here and those charges should not be thrown around lightly in the House—however easily done in the press. I totally reject that and I hope that people will take my contribution over 35 years in Parliament into account, whether or not they agree with what I have done. I might add that over those 35 years I have never been employed in any other job; I have never received any payment from other bodies; I have simply carried out my job as a Member of Parliament. Can they say that on the other side of the Chamber?

CHANCELLOR OF THE DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

Children in Care

3. **Mr. Wayne David** (Caerphilly) (Lab): What progress has been made in developing a coherent strategy for alleviating the social exclusion likely to be suffered by children in care. [86191]

The Minister for the Cabinet Office (Hilary Armstrong): The Government have made tackling social exclusion in respect of children in care a priority and have improved standards for fostering services and children's care homes, put new duties on local authorities to promote the education of looked-after children and strengthened the rights and financial support for those leaving care.

We are also publishing our social exclusion action plan in the autumn, which will frame our cross-government approach to tackling the social exclusion of vulnerable groups, including looked-after children. The action plan will closely co-ordinate with the forthcoming Department for Education and Skills consultation on proposals to transform the outcomes of looked-after children, with all of those issues considered in the light of the forthcoming comprehensive spending review.

Mr. David: I thank the Minister for her reply, but will she tell the House whether there has been any attempt to study examples of good practice from other European countries?

Hilary Armstrong: Yes. On appointment, I looked into various examples of good practice elsewhere and I was particularly impressed with what looked like very good outcomes in Germany and Denmark. I visited Germany two weeks ago and found that there, as in many other European countries, children's work force professionals—called social pedagogues—commonly look after children living away from home. The principles that they use to educate, challenge and engage with children seem extremely valuable and effective. The approach is focused on emphasising each child's individual potential in a holistic way, involving education in health and overall child development. We will look very carefully to establish whether we can incorporate such principles in our children's services.

John Bercow (Buckingham) (Con): Given that there are approximately 44,000 looked-after children in this country and that only about 8 per cent. currently obtain five A to C grade GCSEs and a mere 1 per cent. secure access to university, what discussions has the Minister had with her right hon. Friend the Secretary of State for Education and Skills about the need to ensure that most vulnerable children are granted a legal entitlement to personalised learning?

Hilary Armstrong: That is an issue that we all take extremely seriously. I have had discussions with colleagues in the Department for Education and Skills. Actually, the figures suggest that about 11 per cent. now gain five GCSEs. I accept that that is not good enough, but it is more than double the number in 1997. We are not satisfied and we want to do whatever we can to enhance learning and opportunities for looked-after children. Both I and the DFES are looking into that matter extremely carefully at the moment.

Stephen Pound (Ealing, North) (Lab): May I tell my right hon. Friend that in the London borough of Ealing, which for 12 years enjoyed the wise and sagacious leadership of a Labour council and is now temporarily in the hands of the Tories, 10 per cent. of the looked-after children go on to university—the highest level anywhere in England and Wales? May I invite her to visit Ealing, despite its current political complexion, to see how we have achieved that excellent result?

Hilary Armstrong: I congratulate Ealing, and I am sure that my hon. Friend has been keeping his eye on what has been going on and ensuring that, indeed, best practice is implemented. He understands that we are looking at tackling social exclusion very much by learning from what is working best, so I will be delighted to join him in looking at Ealing's success.

Paul Rowen (Rochdale) (LD): Is the Minister aware of the activities of some private providers—noticeably, Greencorns—that move children around the country and provide homes not close to their family ties? When those children get into trouble, as they often do, they do not get the support that they need to help them.

Hilary Armstrong: I am concerned about too much movement of looked-after children. We are concerned to ensure not only that they have a stable experience, but that we do as much as possible to encourage contact with their own families. So I will take into account what the hon. Gentleman has said in relation to my discussions with the DFES and the proposals that it will produce later this year.

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Climate Change

4. **Paddy Tipping** (Sherwood) (Lab): When he last met representatives of the Chinese Government to discuss climate change. [86192]

The Deputy Prime Minister (Mr. John Prescott): During my visit to China in February this year, I discussed China's engagement on climate change and sustainable development with Premier Wen and other senior members of the Chinese Government, including State Councillor Tang. Together, we chair the UK-China taskforce. I also held discussions with Mayor Han of Shanghai to discuss the Dontang eco-city project, which is a new concept in building sustainable cities in which British companies are involved.

The UK is leading the way internationally on city regeneration and sustainability, proving that it is possible to support jobs and economic growth in an environmentally responsible way. We are now sharing that knowledge and enterprise with other countries.

Paddy Tipping: With the Chinese economy growing by 13 per cent. a year and reports that a new coal-fired power station is being opened every fortnight in China, it is a major source of carbon pollution. How confident is the Deputy Prime Minister about involving China in a successful outcome post-Kyoto?

The Deputy Prime Minister: I have absolutely no doubt that China is a pretty active player in the desire to get a climate change programme, and the Prime Minister's effort at the G8 to include China and India is a major step forward in achieving an agreement that was not readily available to involve China and India in the Kyoto agreement. So I am absolutely convinced of that, and my hon. Friend will know that I discussed the issue on my last visit, last February, but he may also like to know that I opened the Ningbo campus of Nottingham university, which is a very important part of the education contacts between our two countries and, indeed, deals effectively with climate change studies, too.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Why does the Deputy Prime Minister feel he could give useful advice about Kyoto to the Chinese, given his own failed environmental policies at home: his failed pledge to ensure that fewer car journeys take place, his failed integrated transport system, and his Strategic Rail Authority that was so bad that it was immediately scrapped by his successor? Everything that he does goes wrong. Does not China deserve better?

The Deputy Prime Minister: Good comment; no truth. In reality, I made a successful contribution to Kyoto: we did get an agreement. On the environmental targets, I do not know whether the hon. Gentleman is aware that we are the only country in Europe to achieve double the target level in the reduction of greenhouse gases. No other country in Europe has been able to achieve that. If I look at the Opposition's environmental and transport policies, although I am not sure what they are at the moment, I think that rail privatisation has been rejected. The 10-year plan that I introduced is being continued. More people are travelling on public transport than ever before. That sounds like success, not failure.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): Does my right hon. Friend accept that despite the chaff from the Opposition, his well known and highly regarded leadership internationally on this issue is well respected? Does he also accept that if he can advise China on how to achieve a balance between economic growth and sustainable environmental policies, it would be a major step forward and one that Labour Members would really appreciate?

The Deputy Prime Minister: Anyone who has experience of travelling abroad, as the deputy Leader of the Opposition has, will be aware that one of things that is admired about Britain is that we have been able to achieve economic growth in a sustainable way, while at the same time achieving our climate targets. There are very few countries that have achieved that, and it is because of the success of this Labour Government's policies.

Norman Baker (Lewes) (LD): When the Deputy Prime Minister met his Chinese opposite number, did he advocate adoption of the concept of contraction and convergence? What is his view of that concept?

The Deputy Prime Minister: I did not understand the question.

Casinos

5. **James Duddridge** (Rochford and Southend, East) (Con): What discussions he has had with the Department for Communities and Local Government in relation to casino bids. [86193]

The Deputy Prime Minister (Mr. John Prescott): None.

James Duddridge: How can the Deputy Prime Minister not have had any discussions, given that Office of the Deputy Prime Minister civil servants, attending a Thames Gateway meeting in February, stated that Ministers would appreciate some joined-up thinking and would like a single bid for the Thames Gateway? Are those the same ODPM officials who received briefings from the Deputy Prime Minister following his meeting with the dome's owner?

The Deputy Prime Minister: The hon. Gentleman has made accusations in the press and in the Chamber about the feeling in his constituency about whether we interfered with its application for a casino. The former Tory mayor said that we had: the present Tory mayor has made it clear that that was not true—

James Duddridge: It was not the mayor.

The Deputy Prime Minister: I shall quote what the Tory leader of Southend says—*[Interruption.]*

Mr. Speaker: Order. The hon. Member for Rochford and Southend, East (James Duddridge) cannot shout after he has asked his question. He may not be happy with the answer, but he should not shout.

The Deputy Prime Minister: The Tory leader in Southend said:

> "There wasn't any pressure put on us".

I accept that man's statement and that is exactly what happened. I know that the hon. Gentleman takes a keen interest in casino policy. I understand that his constituency party in Rochford and Southend, East receives funding from a company that wants to build a £15 million casino and hotel complex in Southend.

James Duddridge: That is a lie.

The Deputy Prime Minister: It sounds to me as though the hon. Gentleman is a busted flush—[HON. MEMBERS: "Withdraw."]

Mr. Speaker: Order. It is difficult for me to be fair if I cannot hear what is going on. I shall take advice on what has just been said and make a ruling—*[Interruption.]* Order. The hon. Member for Birmingham, Hall Green (Steve McCabe) should be quiet. I understand that he is a Whip and I do not want Whips shouting from the Back Benches. The Deputy Prime Minister has made an allegation, but allegations have come from both sides of the House. The best thing to do is to ask questions and hear the answers without any allegations being made. That includes replies, which should not incorporate any allegations.

Clive Efford (Eltham) (Lab): Whether there will be a casino at the dome or not, I congratulate my right hon. Friend on the work that he is doing to bring about the regeneration of the Greenwich peninsula. I take the same view as the former Conservative mayoral candidate for London who, when asked on Radio 5 whether my right hon. Friend should have met with Anschutz, said that if he had not he would not have been doing his job properly. I congratulate my right hon. Friend on the work that he has done to bring about the regeneration of the Greenwich peninsula and the job opportunities for my constituents.

The Deputy Prime Minister: I am grateful to my hon. Friend. That is the overwhelming view in London, where people want more jobs and investment. To be fair to the Opposition, the development of the site was begun by Lord Heseltine. He wanted regeneration to take place, and we have carried on the process. To a certain extent, I am surprised that people attack the idea that houses, development, jobs and investment should not follow naturally. If that is not what the Opposition intended, it is certainly what the Government intended, and we have carried it out.

Mr. William Hague (Richmond, Yorks) (Con): Given the latest questions about the Deputy Prime Minister's compliance with the ministerial code and his actions in respect of casinos, and all the acknowledged breaches by a succession of Ministers who have now departed the Government, does the right hon. Gentleman think that the Government have lived up to their commitment to be purer than pure?

The Deputy Prime Minister: My right hon. Friend the Prime Minister has the direct responsibility to implement the ministerial code. In his considerations, he has made it clear when he thinks that the code has been breached, and when it has not. He made it clear at the weekend that I had not done so.

Mr. Hague: I think that that means no—that the right hon. Gentleman does not think that the Government have been purer than pure. However, although he has been stripped of his Department, he still costs £2 million a year. Is it not time for him to recognise that that is neither comfortable for him nor acceptable to the country? Does not the idea that he cannot have a Department but can be left in charge of the country defy credibility? He mentioned that he has been in the House for 35 years, and I respect that, but I am someone who once resigned from office and I know that sometimes we all have to judge whether we are doing any favours for our party, our country or our own reputations. Is it not time for him to exercise that judgment?

The Deputy Prime Minister: I like the right hon. Gentleman's suggestion that he resigned from Government. Did that not happen after a general election, when there was going to be a fresh start—with policies that the present Leader of the Opposition is rejecting every day? The right hon. Member for Witney (Mr. Cameron) says that he believes in consistent policies, but the country's rejection of the policies of the right hon. Member for Richmond, Yorks (Mr. Hague) was shown by the fact that he won only one extra seat in that election. He did not resign: the electorate rejected Tory party policy and accepted what Labour believed in.

CHANCELLOR OF THE DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

Voluntary Sector (Regulation)

6. **John Robertson** (Glasgow, North-West) (Lab): What assistance the Government give to the voluntary sector in dealing with the regulatory burden. [86194]

The Parliamentary Secretary, Cabinet Office (Edward Miliband): The Government are taking forward a range of measures to reduce regulatory burdens on the third sector, including through the Charities Bill, which has completed its Committee stage in this House, and the Legislative and Regulatory Reform Bill, which is being considered in another place.

John Robertson: The Legislative and Regulatory Reform Bill offers an approach to the repeal of unnecessary regulation, but does my hon. Friend agree that it would be much better to go forward with an all-party consensus on the matter? If so, what is he doing to achieve that?

Edward Miliband: I agree very much that the Legislative and Regulatory Reform Bill is an extremely important measure. It introduces risk-based regulation, including for the Charity Commission, which has a lot of dealings with the voluntary sector, and it also allows us to repeal unnecessary regulations. The Opposition talk a lot about the need for reform and getting rid of unnecessary regulation. It is time for them to vote accordingly and support the Bill when it comes back to this House.

Mr. Peter Bone (Wellingborough) (Con): The citizens advice bureau in Rushden, the second town in the Wellingborough constituency, was forced to close recently, which meant that people in desperate need of advice were left without an advice centre. It appears that the Government make no contribution to local citizens advice bureaux, but will they look at that again?

Edward Miliband: I understand the hon. Gentleman's concern, and I am happy to look into that specific case. On the basis of my local experience, I think that I am right in saying that citizens advice bureaux are generally funded by local authorities. However, I shall be happy to look into the matter that he raises.

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Ageing

7. **Harry Cohen** (Leyton and Wanstead) (Lab): What oversight and co-ordination he has undertaken of the Government's policy on ageing; and if he will make a statement. [86195]

The Deputy Prime Minister (Mr. John Prescott): My hon. Friend will be aware that I chair the Cabinet Committee looking at these important issues. The next meeting is scheduled to take place very shortly. The Committee's terms of reference are

> "to develop and monitor the delivery of policy affecting older people".

We have already made excellent progress over the past nine years, with 2 million pensioners lifted out of poverty, free eye tests for the over 60s and free TV licences. However, there remains more to do, and I am working to ensure that action is taken coherently across Departments to tackle the key issues facing the older generation.

Harry Cohen: That is an excellent record. As one of the big beasts of the Government and, in this instance, as the Minister with responsibility for the Government's policies on ageing, will the Deputy Prime Minister have a word with another big beast, the Chancellor, to facilitate the 1 million-plus additional jobs that are needed—including with flexible working arrangements—for the over-55s? Will he also say whether more legislation is being considered to remove the barriers to people working longer, if they wish to?

The Deputy Prime Minister: I certainly will take up with the Chancellor, as another big beast, the point that my hon. Friend makes, but the House will be very happy at the fact that the Chancellor's wife has given birth to a baby boy.

The Government are clearly committed to doing a lot more on this issue. Our measures will prohibit the unjustified direct age discrimination that many in this House have complained about, and all harassment and victimisation on the ground of age, of people young and old. It is important to keep more people in work, because doing so makes an important contribution to maintaining increases in what are record levels of employment. That aim has a major part to play, and I am attempting to co-ordinate across government in order to achieve it.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [86174] **Mr. Nigel Waterson** (Eastbourne) (Con): If he will list his official engagements for Wednesday 19 July.

The Prime Minister (Mr. Tony Blair): Before I list my engagements, I am sure that the House will join me in mourning the loss of our late colleague, Kevin Hughes, who died on Sunday from motor neurone disease. We will remember Kevin as a thoroughly decent human being: loyal, immensely likeable—a man who showed the same high courage as he approached the end as he had shown throughout his life in politics. We send our deepest sympathy to Lynda and her family.

I am also sure that the House will join me in offering our condolences to the family of Corporal John Cosby, who died in Iraq at the weekend. Our sympathy and prayers are with them at this difficult time. In the last 24 hours, we have once again had reason to be grateful for the professionalism of our forces, as we have seen HMS Gloucester evacuate British citizens from Beirut.

Mr. Speaker, this morning I had meetings with ministerial colleagues and others, and in addition to my duties in the House I will have further such meetings later today.

Mr. Waterson: I thank the Prime Minister for that answer and I join in his condolences, particularly in respect of Kevin Hughes, who was a very decent man. Will the Prime Minister find time in his busy schedule to meet a broadly based cross-party delegation from Eastbourne, made up of people who are desperately concerned about financial pressures, job cuts and the loss of core services such as maternity from our local district general hospital?

The Prime Minister: I am perfectly happy to meet the hon. Gentleman and any delegation. However, I have to say to him that it is important to recognise that the deficit in his trust area must be dealt with, and that, at the same time as they deal with that trust, hospitals in his area will still be cutting their waiting times and waiting lists. In that area they have had, for example, some 4,500 more nurses since 1997, so we have put a substantial amount of investment into Eastbourne. I entirely understand the concerns that arise as the trust makes sure that it comes into financial balance, but it does have to come into financial balance.

Stephen Hesford (Wirral, West) (Lab): My right hon. Friend will know that the 135th open golf championship is due to start in my constituency tomorrow. This is the first time in nearly 40 years that the championship has taken place at Hoylake. Will my right hon. Friend join me in congratulating the partners who brought that about—the Royal and Ancient and Royal Liverpool golf clubs, and the Labour-led Wirral borough council? Will he also

Hon. Members: Speech!

Mr. Speaker: Order. One supplementary question is sufficient.

The Prime Minister: Yes, I certainly give my congratulations to everyone at Hoylake on all that they have done to bring the open there. I wish everyone the best of luck.

Mr. David Cameron (Witney) (Con): May I join the Prime Minister in what he said about Kevin Hughes? He was a man who believed in plain speaking and hard working, and many colleagues will have fond memories of him in this House. Our thoughts and prayers are with his family. I also join the Prime Minister in paying tribute to Corporal John Cosby, who was killed in Iraq at the weekend. He died serving his country, and our thoughts should be with his family, too.

Will the Prime Minister confirm that this week, the key part of the home information packs is being ditched?

The Prime Minister: As a result of representations made by the Council of Mortgage Lenders, it will not be possible to proceed with the mandatory home condition report. However, we will of course have to proceed with the energy performance certificate, as that is now required by European Union legislation. We will obviously wait until the pilots have reported to see what more we can do to make sure that we do not end up in a situation—this is the reason for the home improvement packs—of spending round about £1 million a day, as ordinary consumers are at the moment, on abortive house sales. It was entirely sensible, because of the energy performance certificate, to go down this route, but as a result of the representations of the Council of Mortgage Lenders, we are going to have to change that.

Mr. Cameron: I think that the Prime Minister needs to mug up on this area; after all, he will be moving house soon.

The fact is that the Minister for Housing and Planning said that introducing home condition reports would have "significant risks" and "potential disadvantages". For months we were told about the benefits of the reports, and now we are being told about the disadvantages. Why did Ministers get it so wrong?

The Prime Minister: There would be tremendous benefits from the home condition reports— *[Laughter.]* Of course there would: people waste a lot of money acquiring reports, then losing that money if the sale does not go through. That is the very reason for doing this. Alongside that is the fact that, irrespective of what happens, we will have to have the energy performance certificate. If the Council of Mortgage Lenders, having consulted its members, says that that will not be enough for people to get a mortgage, because lenders will ask for an additional report, it is of course sensible to make it voluntary rather than mandatory.

Mr. Cameron: If the Prime Minister is worried about people wasting money when they move house, he should have stopped the Chancellor clobbering everyone with extra stamp duty.

Let us look at another tax: will the Prime Minister confirm that the planning gain supplement tax, which the Chancellor announced in his Budget as a key reform to pay for local infrastructure, is also being ditched?

The Prime Minister: I will not confirm that at all. It is extremely important to make sure that we extract the maximum gain we can when planning goes through because it is important that we be able to invest the maximum amount of money in housing.

As we are talking about housing, the most important thing for home owners in this country is that interest rates are half what they were in the Tory years. As he is someone who worked at the Treasury when mortgage repossession was going on, I do not think we will take lessons on housing from the right hon. Gentleman.

Mr. Cameron: The Prime Minister needs to get with the programme. The fact is that the Planning Minister has met a Treasury Minister, and that tax has been shelved.

Let us take another example of a simple reform that is being dropped: the Government promised at the election "tougher sentences" for those who assault public servants. Why have the Government neutered the Bill that would bring that about in law?

The Prime Minister: We do not neuter any proposals— *[Interruption.]* We do not. There should be the strongest possible penalties for people who assault public servants. Let me remind the right hon. Gentleman that when we introduced tougher penalties in the Criminal Justice Act 2003, he voted against.

Mr. Cameron: We need a tougher penalty in law, and the Prime Minister neutered the Bill. There is a clear pattern: police mergers, dropped; ID cards, dropped; home information packs, dropped; planning reforms, dropped; laws to protect public servants, dropped. Given the Government's complete inability to implement their programme, how can he possibly believe that the right thing to do is to put the Deputy Prime Minister in charge of the country?

The Prime Minister: Let me explain: we most certainly are not dropping proposals for identity cards, or tougher penalties regarding public servants, or planning reforms. If we want to talk about policy making, I have calculated that the right hon. Gentleman has had four since becoming

Leader of the Opposition. The first was a new British Bill of Rights, which was denounced by the chairman of his democracy commission as nonsense. The second was English votes for English MPs, described as a constitutional abortion by a senior Back-Bench Tory MP. Then came his law and order policy—hug a hoodie. We have not heard much about that. Finally, his flagship European policy was to leave the European People's party, which was first to be done immediately, then within months and now not until 2009. Before he criticises our policy-making skills, he should acquire some of his own.

Mr. Cameron: These sessions are about the Prime Minister answering questions on behalf of the Government. I know that he does not like being interrogated, but with the way things are going at Scotland Yard, he had better get used to it. For the purposes of the tape, Mr. Speaker, I am interviewing the Prime Minister.

Does not the Prime Minister's complete lack of judgment in trusting the Deputy Prime Minister show that it is high time that he and his deputy saddled up and rode off into the sunset?

The Prime Minister: I notice that the right hon. Gentleman did not want to ask me about any of his policy positions. We could take another one, actually: let us look at his policy on nuclear power—

Mr. Speaker: Order. I gave the Prime Minister a good innings for the last set of policies, so perhaps we could be brief this time.

The Prime Minister: Mr. Speaker, you are absolutely right; it is best not to talk about Opposition policies because they are better for an Opposition than a Government. But let me just tell the right hon. Member for Witney (Mr. Cameron) that we will continue with policies for a strong economy, not the boom and bust of the Tory years, and for investment in our health service and education, and with family-friendly policies, and investment in Sure Start, the new deal and lifting pensioners out of poverty. We will continue with the policies that have made this country stronger, fairer and better—not those that brought us 18 years of Conservative misrule.

Ms Dawn Butler (Brent, South) (Lab): Does my right hon. Friend agree that we are still clearing up the mess of the Tory years? Although they have acknowledged that privatisation of the railways was a mistake, that does not help to make stations safer, so will my right hon. Friend assure me that the new franchises will be awarded only to companies that put safety first and people before profit?

The Prime Minister: My hon. Friend is absolutely right. I thank her for drawing my attention to what is actually another Tory policy—[*Laughter.*] Sorry. My hon. Friend is right: the Tory policy under the previous Government was disastrous, but fortunately it has been turned around under this Government.

Sir Menzies Campbell (North-East Fife) (LD): I begin by associating my right hon. and hon. Friends with the expressions of condolence and sympathy that we heard from the Prime Minister a moment or two ago.

Yesterday, the House joined the Prime Minister in condemning Hezbollah's bombardment of Israel, but how can we be even-handed if we are not willing to condemn Israel's disproportionate response, which the Prime Minister of Lebanon has described as cutting his country to pieces?

The Prime Minister: Let me repeat what I said yesterday. It is important that Israel's response is proportionate and does its best to minimise civilian casualties, but it would stop now if the soldiers who were kidnapped—wrongly, when Hezbollah crossed the United Nations blue line—were released. It would stop if the rockets stopped coming into Haifa, deliberately to kill innocent civilians. If those two things happened, I promise the right hon. and learned Gentleman that I would be the first to say that Israel should halt its operations.

Sir Menzies Campbell: I am not sure that that squares with the Prime Minister's conversations with President Bush. In the course of those conversations, did he understand that it was America's policy to allow Israel a further period for military action? Is that why the UK is not calling for an immediate and unconditional ceasefire?

The Prime Minister: If the right hon. and learned Gentleman is seriously saying that I should call for an unconditional ceasefire by Israel now—[HON. MEMBERS: "Both sides."] I should call for both sides to do it? May I just point out to the right hon. and learned Gentleman that our influence with Hezbollah has been somewhat limited? It would not be possible. Does he not understand that Hezbollah fired somewhere in the region of 1,600 rockets into northern Israel? I agree that what is happening in Lebanon is tragic and terrible, not least for the Lebanese people and the Lebanese Government—a Government who have brought their country out of the dark days into democracy—[*Interruption.*] Yes, but if this is to stop, it has to stop by undoing how it started, and it started with the kidnap of Israeli soldiers and the bombardment of northern Israel. If we want this to stop, that has to stop.

Q2. [86175] **Roger Berry** (Kingswood) (Lab): Does my right hon. Friend recognise that Members on the Labour Benches are thirsty to discuss the equal rights of Scottish and Welsh MPs, the priority of parliamentary sovereignty over a Bill of Rights and exactly what it means to hug a hoodie? Will my right hon. Friend do all that he can to secure a debate on those issues in the House, as the Leader of the Opposition is clearly frit about doing so?

The Prime Minister: I can assure my hon. Friend that we will continue to put forward policies that allow us to have one class of Member of Parliament in this House. Anything else would do deep damage to the British constitution.

Mr. John Redwood (Wokingham) (Con): Can the Prime Minister explain why it is that since the Labour Government took over, Ireland has grown four times as quickly as Scotland? Does that not mean that there is not only a problem of disloyalty in No. 11, but a problem of incompetence?

The Prime Minister: If the right hon. Gentleman compares the Scottish economy today with the Scottish economy 10 years ago, he will find it much stronger. There are more people in work and fewer people are unemployed. That is a good record under this Government.

Q3. [86176] **Clive Efford** (Eltham) (Lab): If my right hon. Friend has a space in his diary tomorrow lunchtime, may I invite him to join me at Charlton Athletic's training ground in Eltham to celebrate the opening of their community centre for skills, supported by Charlton's charitable trust, Barclays Spaces for Sports and the Football Foundation? From my constituency, Charlton run one of the biggest community action programmes in Europe, possibly even in the world. They engage with young people and provide educational opportunities and employment opportunities for them. If he cannot join us tomorrow, will he send a message of congratulations to Charlton for the work that they do?

The Prime Minister: I am very happy to send a message of congratulations to Charlton on their wonderful new sporting facility, which will do so much for young people. I congratulate the Football Foundation and Barclays bank, which I think are the other partners, and I also congratulate Charlton on the wise re-signing of Darren Bent.

Q4. [86177] **Greg Clark** (Tunbridge Wells) (Con): Will the Prime Minister please help to expedite the approval of the new private finance initiative hospital at Pembury in my constituency?

The Prime Minister: First, I thank the hon. Gentleman for giving me notice of that question, so that I could learn the details of the matter, which is helpful. All major PFI schemes are being taken forward, and the Department of Health asked Maidstone and Tunbridge Wells NHS Trust in January to reappraise its proposals for the Maidstone and Pembury hospital sites to make sure that they could demonstrate long-term affordability. I am glad to inform the hon. Gentleman that the reappraisal report for that scheme has been completed and we are aiming to announce decisions from the reappraisal exercise, including that for the trust, shortly. Therefore, we will be in touch with him shortly. As he knows, the capital value of the scheme is almost £300 million.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): Whatever the proximate causes of the current middle east crisis, is it not clear that there will be no solution while Muslims believe that the political route to a viable and sustainable Palestinian state is blocked and at the same time Israel believes that it can get more by the use of military force and annexation of large tracts of Palestinian land than by seriously negotiating the Quartet road map? In those circumstances, should we not only be calling on the EU to demand a very clear and unambiguous statement of a ceasefire but, more important, more vigorously confronting the United States that, if it does not put considerably more pressure on Israel for a—

Mr. Speaker: Order. That is far too long.

The Prime Minister: There is a problem with the negotiated solution to this. After all, it is now clear that everyone wants a two-state solution, and the road map is there and agreed by the whole of the Quartet, including the European Union, the UN, Russia and America, obviously. This problem is not being held back by America or by anyone's intransigence and refusal to negotiate; it is being held back by the fact that we cannot even begin the essential preconditions for the road map to exist properly. Those essential preconditions are about security and about ensuring that, for example, the thing that sparked everything on Gaza, which was to do with the kidnap of an Israeli soldier, and other such things stop.

I share my right hon. Friend's concern. I pushed for the adoption of the road map. I pushed for a two-state solution. But in the end the only negotiated way through this is by everyone committing themselves to exclusively peaceful, democratic means, and that has to hold on both sides of the border—not just on the Israeli side, but on the Palestinian side.

Human Trafficking

Q5. [86178] **Dr. Evan Harris** (Oxford, West and Abingdon) (LD): For what reasons the Government has not ratified the Council of Europe Convention against human trafficking.

The Prime Minister: The UK Government are currently considering the Council of Europe convention against human trafficking agreed last year. At present only one country, Moldova, has ratified that convention, but let me be clear that we are determined to tackle human trafficking. The police have set up the UK human trafficking centre to continue the fight against that crime, and Operation Pentameter resulted in over 150 arrests and the rescue of 75 trafficking victims.

Dr. Harris: I am grateful to the Prime Minister. Thirty of the 45 Council of Europe countries have signed the convention, but we have not done so. The Under-Secretary of State for the Home Department, the hon. Member for Gedling (Mr. Coaker), and his officials said in the Joint Committee on Human Rights that the fear of "a pull factor" was preventing the UK Government from signing the convention. But is the Prime Minister aware that in Italy there is no evidence of a pull factor, and a hundred times as many women have been saved and there have been a hundred times as many prosecutions? Will he reflect again for the sake of the victims of trafficking, and allow the UK to sign the convention?

The Prime Minister: I will reflect again. The hon. Gentleman rightly puts his finger on the reason for our refusal to sign and ratify the convention so far. An absolute 30-day reflection period is required for victims who are here without leave, to enable them to recover from the experience that they have been through. Our worry is that, unless we are very careful about the way in which that is implemented, it will cause a major problem with people who come here under the auspices of organised crime and are not proper asylum seekers, as we would be obliged to keep them for a fixed period. I am afraid we have to examine what that means in practice for our system before we can agree the convention.

Mr. Denis MacShane (Rotherham) (Lab): Last week, the Prime Minister agreed to meet a delegation led by myself on the issue. There is widespread support in the House for the signing—not ratification, which is different—of the convention, as well as widespread support among the police, Anti-Slavery International and Amnesty International. I would rather not meet him, because I do not want to discuss a problem. I would rather that the Home Office provided a solution without too much time passing.

The Prime Minister: I entirely understand what my right hon. Friend is saying, and he made his point in a very reasonable way. I will look at the issue again, but we need an answer on that point. It is not only Britain that has not signed the convention—countries such as Spain have not done so because they, too, are worried about the same problem. However, if we can find a way around it—and we may be able to do so—that would obviously allow us to sign.

Engagements

Q6. [86179] **Miss Anne McIntosh** (Vale of York) (Con): Is the Prime Minister aware that the British Sugar factory in York will close in January or February next year, leading to a large number of job losses in the city? More particularly, it will cause a loss of earnings for farmers in North Yorkshire. Will he agree to meet some of the sugar beet growers in North Yorkshire to see whether there is a way forward, perhaps by developing sugar beet into bioethanol? He will appreciate that sugar beet has had a great influence as a rotation crop and on the environment, so it would be a body blow to local farmers to lose it.

The Prime Minister: I am happy to meet the hon. Lady. I am aware of the fact that there is an important potential for sugar beet and biofuel, but I cannot offer any assurances. I obviously sympathise with her constituents' plight, but I would have to see whether there is anything that Government can do, and there may not be.

Shona McIsaac (Cleethorpes) (Lab): What advice would my right hon. Friend give a Member of Parliament who voted against the introduction of two weeks paid paternity leave, who voted against extending maternity leave to 26 weeks, and who voted against the request for flexible working? Would that advice include the words, "On your bike, Dave"?

The Prime Minister: I think that, if that was not just one offence but a serial offence of changing one's mind, I would advise them not to open their leadership campaign by saying that consistency is a vital thing in politics.

Q7. [86180] **Mr. John Maples** (Stratford-on-Avon) (Con): May I urge the Prime Minister to find time in his busy day to rethink his holiday plans? I do not know which Italian palazzo he has lined up this year, but may I commend to him the benefits of a holiday in the United Kingdom? One of the benefits for the rest of us, of course, is the fact that he would not have to leave the Deputy Prime Minister in charge. If the Italian palazzo has a croquet lawn and a diary secretary, however, perhaps they could cut a deal.

The Prime Minister: I thank the hon. Gentleman for that very helpful advice.

Mr. Mark Hendrick (Preston) (Lab/Co-op): My right hon. Friend will be aware of our policy on the renewable transport fuels obligation, which will ensure that 5 per cent. of fuels are biofuels. A million tonnes of carbon will be prevented from entering the atmosphere every year, which is the equivalent of a million cars coming off the road. Is it not true that the Government have done a tremendous amount on climate change, and will continue to do so in future?

The Prime Minister: My hon. Friend is right to say that we have done a great deal to tackle the issue. Unfortunately, we need to do a lot more, which was the purpose of the energy review. One vital part of reducing carbon output is the climate change levy, which has been and will be responsible for carbon emissions into our atmosphere being reduced by millions of tonnes. The energy review gives us a sound way forward—a proper policy basis for planning for the future of this country. The interesting thing about the G8 summit is that what we had in the British energy review is four-square behind the thinking of the leading countries of the world.

Q8. [86181] **Mr. Robert Goodwill** (Scarborough and Whitby) (Con): I know that the Prime Minister is a big supporter of the tourist industry. Has he considered taking his holiday this year in Scarborough? I am sure that he will be interested to know that many people who visit Scarborough as tourists subsequently decide to make it their permanent retirement home.

The Prime Minister: I thank the hon. Gentleman for that helpful suggestion. One of the advantages would be bumping into him in the course of my holiday. I intend to have a good holiday, and I wish him one too.

Q9. [86182] **Mr. Ronnie Campbell** (Blyth Valley) (Lab): Will my right hon. Friend join me in congratulating Blyth Valley council's excellent antisocial behaviour team, which is led by Ian Johnson and supported by the local police? Although the people responsible for antisocial behaviour are only a small minority in Blyth Valley, we do not hug them. We deal with them.

The Prime Minister: I thought for a moment that my hon. Friend was about to add to the holiday suggestions. He is right. Although there is a great deal more to do on antisocial behaviour, as my right hon. Friend the Home Secretary will say, none the less antisocial behaviour legislation, where used by local authorities and the police, has had a major impact in local communities and we will strengthen the law still further. There are those who used to describe it as a gimmick, but it is not a gimmick. It is a vital part of making our communities safer.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Prime Minister will know of the widespread disappointment at the failure of the United Nations review conference in New York a fortnight ago to agree principles on the transfer of light weapons and arms, even though 150 countries supported that. Can we rely on the UK Government to adhere to their manifesto commitment to challenge the few Governments who continue to block the process?

The Prime Minister: Yes. I can give the hon. Gentleman that assurance. We have pushed the matter very hard for a considerable time, but as his question implies, it is not simply us—it is the whole of the international community that must agree the process. We fully support it and will continue to encourage others to support it.

Q10. [86184] **Charlotte Atkins** (Staffordshire, Moorlands) (Lab): My two Sure Start schemes and my two children's centres are transforming the lives of the most vulnerable children in my constituency, but can my right hon. Friend give me assurances about their future funding?

The Prime Minister: I can assure my hon. Friend that we will continue to fund Sure Start and children's centres. She is right to say that they perform a vital task in many communities. I know that the Sure Starts in my own community have been immensely popular. About 800,000 people are benefiting from the programmes, and the great thing about Sure Start is not merely the help that it gives to the children, but the help that it gives to the parents. It has had a very great benefit in many constituencies, and we will certainly continue to support it.

Q11. [86185] **Andrew George** (St. Ives) (LD): Local people in my area want to know what they have done to deserve Government-appointed trust members and managers who are slashing services, sacking staff, closing wards and compromising clinical safety. As the Prime Minister is in a meeting mood, will he agree to meet a delegation of patients and clinicians from my constituency to explore the serious challenges behind an extremely serious situation?

The Prime Minister: I know the hon. Gentleman will continue to make representations on the matter, but I point out to him that it is not a question of management and people being appointed to the board; it is a question of ensuring that however much money we put into the national health service—we have put in vast additional sums that have reduced waiting times, reduced waiting lists, reduced waits for treatment such as cardiac care, and made sure that we are cutting the number of people dying from diseases such as cancer and heart disease—and although it has had a huge impact, every single trust has to live within its means. Sometimes trusts have to reconfigure services, but I do not believe that they will do so to the detriment of clinical management, clinical care or patient care in communities.

Q12. [86186] **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): My right hon. Friend has often said that it is essential to be at the centre of decision making in Europe. Will he tell me his assessment of the effectiveness of the current political groupings in representing Britain's interests in Europe?

The Prime Minister: We will, of course, remain as part of the grouping of the centre left parties, and it is extremely important that the Conservative party also remains part of its grouping. I have a feeling that the right hon. Member for Witney (Mr. Cameron) has changed the Conservative party's position, on which I congratulate him.

Business of the House

12.30 pm

The Leader of the House of Commons (Mr. Jack Straw): With permission, Mr. Speaker, I should like to make a short business statement. The business for tomorrow will now be, first, a motion to approve the Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2006. Then, in response to requests from both sides of the House, there will be a debate on international affairs on a motion for the Adjournment of the House. The debate on international development, which was due tomorrow, will now be scheduled for another date. I shall, of course, make my usual business statement tomorrow as well.

Mrs. Theresa May (Maidenhead) (Con): I am grateful to the Leader of the House for acceding in his statement to the request made by my right hon. Friend the Member for Witney (Mr. Cameron) and other hon. Members on both sides of the House to debate international affairs, particularly the growing problems in the middle east. Tomorrow we will have departmental questions, his normal business statement, the order that he has mentioned and, possibly, a statement by a Minister. Will he programme tomorrow's business so that we can guarantee four hours for the international affairs debate?

Mr. Straw: I cannot formally programme the business, but we will do our best to ensure that it proceeds as quickly as possible. The order is down for a maximum of an hour and a half, but, frankly, it is not particularly controversial. Two organisations connected with Omar Bakri Mohammad are to be proscribed. The case for proscribing the first organisation, the Baluchistan Liberation Army, speaks for itself. The second organisation, the TAK, is a Turkish terrorist organisation that has admitted to carrying out terrorist outrages in Turkey. Provided that hon. Members are relatively brief, we should be able to proceed quickly.

Mr. David Heath (Somerton and Frome) (LD): I, too, thank the Leader of the House for providing an opportunity to debate foreign affairs, for which, as he knows, we have been asking for some time. Tomorrow's debate will inevitably deal with the developing, and concerning, situation in the middle east. I repeat my other request in relation to foreign affairs, which is for a specific debate on Iraq. Tomorrow it will be two years to the day since the House last debated Iraq in Government time.

Mr. Straw: Tomorrow's debate is on international affairs, so there will be every opportunity to discuss Iraq, and I have no doubt that the matter will be raised. The need to schedule a foreign affairs debate has raised an issue: it is eccentric that, while some debates are programmed in Government time each year, including five debates on defence and a number of others at the request of the House, other key areas, including international development and foreign affairs, must take their chance in negotiations through the usual channels. I hope to ask the Modernisation Committee, which I chair, to re-examine how scheduled debates in Government time are organised and which subjects are debated.

Mr. Alex Salmond (Banff and Buchan) (SNP): Would it not be better to have a substantive debate on the situation in the middle east, rather than an Adjournment debate on international affairs? There is a widespread feeling on both sides of the House that the United Kingdom Government have abandoned their role as an honest broker and have become a client state of an American Administration who are failing to live up to their global responsibilities. A substantive debate would allow "Yo Blair" to develop some independence of mind and thought.

Mr. Straw: As ever, the hon. Gentleman makes a small error, which is that when he speaks for himself he thinks that he is speaking for the whole House. It is appropriate for such an issue to be discussed on a motion for the Adjournment, so that debate can be very wide-ranging. None the less, I am up for there being more debates in Government time on substantive motions. Indeed, there have been two in recent weeks—one on the BBC and the other on the pensions White Paper. In many circumstances, that is appropriate. I am not in the least worried, and neither is my right hon. Friend the Foreign Secretary, about having a debate on foreign policy on a substantive motion. If the hon. Gentleman wishes to use some of his Supply day time for a debate on that, let us see it.

Mr. Andrew Mackay (Bracknell) (Con): The great majority of Members will be extremely grateful to the Leader of the House for moving so quickly to ensure that there will be an Adjournment debate on international affairs tomorrow. Had there not been such a debate, our constituents would not have understood why we were going into recess next week without one. May I press the right hon. Gentleman a little further? If, unfortunately, terrible events develop in the middle east during the recess, which might well involve our troops, can he give the House an assurance that it will be briefly recalled to debate those matters?

Mr. Straw: The question of the recall of Parliament is kept under active review by my right hon. Friend the Prime Minister and by senior Ministers throughout the recess. I am not just using that as a formula. The right hon. Gentleman will know, because it is a matter of record, that the House has been recalled on three occasions in the past nine years—in 1998, 2001 and 2002. If it is necessary, and subject of course to consultation with you, Mr. Speaker, I can assure the House that it will be recalled.

Home Office: Reform Action Plan

12.36 pm

The Secretary of State for the Home Department (John Reid): I should like to make a statement about our plans for transforming the Home Office. I have today placed in the Library a copy of a reform action plan which gives details of the changes that we intend to make.

All political change should start with values and objectives. The Home Office exists to protect the key elements of civilised society: to reduce fear and increase security, from global terrorism to local cohesion in our streets and communities, and from justice and fairness to the protection of opportunities to live life in security. However, the context in which we seek to apply those values is changing faster than ever before, and changing fundamentally, creating new and different challenges for the future.

In the past 15 years, we have seen no less than seismic geopolitical changes, ranging from the global to the local. Globally, the old cold war had frozen the world into relative immobility. States were frozen, ethnic tensions and religious extremism were repressed, borders were inviolable, and peoples were largely static. The end of the cold war brought a torrent of new problems and, above all, the challenge of international mobility on a hitherto unimaginable scale. We have seen unprecedented levels of migration, with the movement of more than 200 million people in 2005, the development of international terrorism—[*Interruption.*] That is hardly a laughing matter. We have also seen the growth of global and organised crime.

Moving from the global to the local, relative immobility has given way to social and geographic mobility, whereby the old group allegiances, extended family relationships and inherited patterns of voting and religious observance have broken down, and with them the old forms of community cohesion. Unlike most other Government Departments, we find that in this changing context many of the people whom the Home Office is trying to deal with—prisoners, criminals and illegal immigrants—see it as their primary objective not to co-operate with the Government, but to resist our authority and evade our control.

In the face of those challenges, the Home Office has been in a process of change and reform for some years. The Department now has a more streamlined focus as a result of some of our responsibilities being transferred to other Departments. I give credit to my predecessors and the civil servants who worked with them for facing those challenges. They took a system that was designed before the cold war and improved it in three important ways: through additional resources, improvements in technology and legislative and practical solutions.

Those improvements have led to notable successes in key matters. Crime is down significantly—the chance of being a victim of crime in this country is the lowest since 1981. We have record numbers of police and an additional 6,300 community support officers on the streets. Asylum applications are now tackled in two months, as opposed to 22 months under the previous Government. The UK Passport Service, which was failing just a few years ago, now regularly tops customer service polls, beating some leading private sector organisations. It is a shining example of transformation, and what can be achieved.

However, the underlying systems and practices for dealing with those issues have not changed sufficiently. Many of the fundamentals that underlie the systems in the Home Office were designed for a pre-cold war era. In the face of the huge challenges that I outlined earlier, we have now reached the limit of what can be achieved without a fundamental overhaul. The Home Office capability review, which is published today, strongly reinforces those views.

Some of the inadequacies have surfaced recently—in co-ordination, administration and accounts. In co-ordination, the House knows only too well—I do not have to rehearse the matter—how the release of foreign prisoners challenged systems across the Home Office and the criminal justice system, and found them wanting.

In administration, the House knows that, for example, the National Audit Office last year suggested that 283,000 unsuccessful asylum applicants might still be here—excluding dependants and those who claimed asylum before 1994 and after 2004—reflecting the difficulties of successive Governments in removing failed asylum seekers. That is reflected in the immigration and nationality directorate's case load of around 400,000 to 450,000 electronic and paper records, which, as hon. Members also know, are riddled with duplication and errors, and include cases of individuals who have since died or left the country, or are now EU citizens.

As for accounts, the House knows that the Home Office's resource accounts for 2004-05 were disclaimed by the National Audit Office. We have sought to remedy those individual instances. I have today set out in a written ministerial statement, through my hon. Friend the Minister for Immigration, Citizenship and Nationality, our plans to improve the way in which we deal with foreign national prisoners. We will tackle the case load in the IND with the aim of clearing it—not in 25 years, as has been suggested, but in five or less. We will put our books in order. However, as today's capability review shows, we need to go much further in general and fundamental reform.

For all those reasons, I am today setting out plans for an ambitious set of reforms across the Department. They are outlined in the document that we published today, and I shall highlight some of them. We will sharpen the Home Office's focus on its core purpose of protecting the public through the six key priorities set out in today's plan. We will establish a new top team with a reshaped Home Office board and 15 immediate changes at director level—that is more than a quarter of all directors.

We will reshape radically the structure of the Home Office, with a major shift in responsibility and resource to the front line. We will fulfil our commitment to reduce the total size of Home Office strategic and operational headquarters by 30 per cent. by 2008—and today I can also tell hon. Members that I am making a commitment to a further reduction of 10 per cent. in headquarters staff by 2010.

The cumulative effect of these changes will be to reduce the size of the headquarters of the Home Office and its agencies from 9,200 in 2004 to 6,500 in 2008 and to 5,900 by 2010. These changes will mark the biggest shift from the centre to the front line in the Home

Office's history. We will thereby save £115 million a year by 2010 in HQ costs, which we will invest in improving front-line services.

We will go further by establishing the immigration and nationality directorate as an executive agency of the Home Office—a shadow agency will be in place by April 2007—with strong accountability arrangements. I shall give more details of this in the next few days. We will establish clear performance frameworks for the operational services of the Home Office—the immigration and nationality directorate, the National Offender Management Service, and the identity and passport service—and hold the heads of those services accountable for operational performance. The National Offender Management Service headquarters will be focused on the job of commissioning high-quality services for managing offenders and of driving up the performance of the probation and prison services. As a result, the headquarters of NOMS will get progressively smaller. We will reduce it by 50 per cent. by 2010.

We will develop a renewed contract between Ministers and officials, clarifying respective roles and expectations in relation to policy, strategic decisions, operational delivery and management. We will seek to reduce further the bureaucratic burden on the police and other partners in tackling crime, by implementing simpler performance arrangements for policing crime and drugs.

We are also launching today a radical reform programme in the Home Office, with seven strands of change designed to transform the culture, skills, systems, processes and data of the Department. Today we have set out a clear action plan to deliver this reform, and more. By September, we will develop a full implementation programme. An external audit of progress will be conducted in December and annually thereafter. In the next few days, we will supplement today's plan with two further sets of proposals: on rebalancing the criminal justice system and on reforming our immigration and nationality directorate.

We are determined to deliver a confidently led and well managed Home Office which delivers high-quality services to protect the public and better meets their expectations, and which builds through transformation on the improvements that have been achieved so far. I would like to thank my predecessors, my Ministers and my senior officials for all the work that has already been put into the development of the Home Office and into our new plans.

I stress to the House the fact that we are not starting from year zero, and that we do not expect perfection at the end of the process. This is the start of a long-term programme for transforming the fundamental systems of the Home Office. All those involved—Ministers, directors and staff—know the extent of the challenge, and that this will not be accomplished overnight. However, we are committed to making early progress to demonstrate our seriousness to the public and to our stakeholders and staff. The fundamental change that we are seeking will require determination and, above all, endurance. This is the unglamorous hard work of delivering good government. That is now the task ahead, and I commend the plan to the House.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for giving me advance sight of his statement, much of which we agree with. We wonder, however, why it has taken 10 years for some of these lessons to be learned. I was quite surprised by the right hon. Gentleman's undertaking—which I did not see in the original statement—to clear up in five years the backlog that the Home Office faces. Working on today's numbers, that implies that it will be deporting a net figure of 80,000 people a year, and I would be interested to hear the Home Secretary confirm that that is the case.

In the past 12 weeks, we have witnessed a serial catastrophe in the Home Office, with daily disclosures of massive failures of policy. The issues have included the release of foreign prisoners, murderers on probation, sex-for-visas scandals, dangerous prisoners being put into open prisons, hundreds of thousands of failed asylum seekers, and massive numbers of illegal immigrants.

This has been a spectacular serial failure of government, the like of which has not been seen in modern times in this country. Each and every failure that we have talked about in the past 12 weeks has serious implications for ordinary decent British citizens. At the very least, the Government have wasted hard-earned taxpayers' money and put excessive pressure on housing and public services. At worst, they have threatened public safety and even, in some cases, national security.

We need to understand why that has happened—the wrong analysis of the problem will lead to the wrong conclusion. The Home Secretary puts it down to the end of the cold war, and with it the rise in asylum seekers and other threats. But that does not explain why Britain, which is further away from the failed states than any other European state—except Ireland—and which is an island and therefore harder to get into, with borders that are easier to control, has had the second highest number of asylum applicants in the world in the past five years.

The reason is simple. The new Labour Government—I see that the previous Home Secretary but two is on the Treasury Bench—repealed Conservative laws allowing us to send people straight back to safe countries on the so-called white list. They terminated Conservative welfare arrangements designed to deter economic migrants, and failed to negotiate a continuation of the right to return asylum seekers to France. I see that the right hon. Gentleman is nodding. They later tried to reinstate some of those laws, but too late. In the following five years, more than a quarter of a million failed asylum seekers—failed asylum seekers, not real asylum seekers—tried to enter Britain, with almost 90,000 in one year alone. That, along with political decisions to increase net immigration by nearly 200,000 a year and not to strengthen our borders, is why the immigration and nationality directorate was overwhelmed.

Of course there have been failures of management, but there have been much bigger failures of political leadership. The same is true elsewhere in the Home Office. We have seen the disaster over foreign prisoners, the debacle over putting dangerous prisoners in open prisons, and the catastrophe of murderers released after a 25-minute telephone call and going on to murder innocent people. All those came from the same cause—a political decision not to build enough prison places.

[David Davis]

The Government's own review showed that they needed 100,000 prison places by 2010. Even after the 8,000 new places that I understand the Home Secretary will announce tomorrow, they will still have less than 90,000 places by 2012. Again, there are failures of management, but in a system put under intolerable pressure by failures of political leadership. We could go on. We have a police force so overburdened with central targets and politically correct red tape that its detection rates dropped to an all-time low two years ago. As a result, violent crime is spiralling out of control, as we will no doubt hear tomorrow when the crime figures come out, putting extra pressure on the police, the courts, the prisons and the Home Office.

Of course, Ministers themselves have put intolerable pressure on the Home Office. Since 1997 there have been more than 1,300 new regulations, many hundreds of initiatives and over 50 major Home Office Bills—more than the total number of Criminal Justice Bills in the previous century. Some of those Bills were useless—not in my opinion, but in the Government's. In the case of the Criminal Justice and Court Services Act 2000, 110 of its provisions never came into force. Seventeen more were repealed before they could come into force, and another 39 were repealed after they came into force. That is by no means the only example; there are many others. Massive amounts of work were piled on to the Home Office, for no use whatever.

This is not a Department that is impossible to run. Since 1997, as the Home Secretary mentioned in his statement, it has given up responsibility for 24 policy areas. It has less to do in straight policy terms than it had. Under the burdens of a target-driven, red tape-driven, bureaucratic, top-heavy approach pursued by this Government, however, its central staffing has doubled—and is it not revealing that the number of press officers has trebled?

It is true that some of the Home Secretary's proposals have merit. For example, the agency proposals for the IND—I think that I disagree with my ex-leader on this—may improve some aspects of its management. It may, however, make communication and co-operation with other parts of the Home Office more difficult, so none of these things come free. It will certainly not absolve Ministers of responsibility for effectiveness and delivery.

The main issue is that the Home Office is a Department in severe crisis, as a direct result of Government policy. It is no hyperbole to say that the crisis is the biggest faced by a Department in modern times. The failures are multiple and massive, and will have a serious impact on the public. We all hope that the Home Secretary's measures succeed. Even if they do, however, they are unlikely to resolve problems of the size that his Department faces. And whatever they do, they will not allow him to sweep a political problem under a bureaucratic carpet.

John Reid: I shall try to answer the right hon. Gentleman's questions—although I must say that he asked very few. I do not, however, begrudge him his entitlement to make a statement on the matter.

On the clear-up rates, I think that his long division was based on the false premise that every case file equals a person. That is a wrong assumption on which to work. As I said earlier, some case files are duplicates, and some represent a decision that someone can stay here but we have not been able to get in touch with that person to tell them. In some cases, the person concerned may be dead, or may be from a state that has now become part of Europe. In some cases, the limited evidence that we have suggests that the person may have left of their own accord.

I did say that we would aim to clear up the caseload legacy in five years—or, I hope, less time than that. That is because we have made significant progress since the right hon. Gentleman's party was in power. We no longer take 22 months to deal with a case; we deal with it in eight weeks—*[Interruption.]* I think that Opposition Members will accept that I am always ready to admit our inadequacies; they should not be so sensitive when I point out some of the inadequacies of the Conservative Government. The truth is that we have made massive progress in recent years to reform the asylum system. We have reduced applications by 72 per cent., and we have reduced the time taken to deal with them from 22 months to two months.

The right hon. Gentleman asked why so many asylum applicants come to Britain. First, we have the English language. Secondly, we have had a more prosperous economy than anywhere else. Thirdly, his facts are wrong—in terms of asylum applications per thousand, the rate of application in this country is no greater than that in many European countries, and less than in some, including France. We should get our facts right. The truth is that there are inadequacies, and as I said earlier, one of the greatest is that the Home Office's fundamental systems were made for a different age. That created problems for everyone, including the last Home Secretary under the Conservative Government.

It is just not fair to suggest that my predecessors did not have major achievements. My right hon. Friend the Leader of the House, when he was Home Secretary, halved the time taken for persistent young offenders to be dealt with in the court system. He introduced a ban on handguns and the first race relations legislation in 25 years, and developed and introduced antisocial behaviour orders. My right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett) brought in a record number of police officers, and created community support officers, neighbourhood policing teams and the street robbery initiative that did so much to reduce crime. My right hon. Friend the Member for Norwich, South (Mr. Clarke) established the Serious Organised Crime Agency, dealt with 7/7 and its aftermath with great statesmanship, and achieved the tipping-point target whereby, for the first time in the past 20 years, we are deporting more failed asylum seekers than we are importing. It is a mixed balanced sheet, but to pretend that the previous Conservative Government achieved anything like what my three predecessors did is to fantasise about political history.

Mr. John Denham (Southampton, Itchen) (Lab): My right hon. Friend's plans are certainly bold. One of the problems with the immigration and nationality directorate in recent years has been not that it has failed to meet its targets, but that it has met its targets and failed to deal with other problems, such as foreign prisoners, on which common sense requires action.

Agencies are usually managed against targets. The great challenge to the Government and my right hon. Friend's proposals is to ensure that the new agency does not just deliver on a narrow set of targets laid down by Ministers, but deals with the whole problem.

Does my right hon. Friend accept that at the core of his proposals is a belief that the slimmed-down centre of the Home Office will be able to offer a higher quality of leadership from officials, and—if I may say so—a less ministerial impatience and desire to intervene than we have perhaps been able to show in the past?

John Reid: The answers to my right hon. Friend's questions are yes, yes and yes, particularly on the last point. If we want to encourage a spirit and culture of acceptance of responsibility and accountability among officials, that will require us to tolerate a degree of risk-taking on the part of officials; and that will require a degree of self-denying ordinance when such risks result in something going wrong, as they inevitably will. Hopefully, however, those tactical mistakes will be to the benefit of an overall strategic change in the systems, giving us more effective and efficient management and output.

The reason we want to do this is that, even after so many years in government, we should take upon ourselves the process of renewal of government, of Government Departments and of Government delivery—in a self-critical and, we hope, a constructive fashion, but also in a way that delivers from the centre what people want, rebalances our criminal justice system as people want it to be rebalanced, and provides a fair and effective system of managed migration that people can see to be both fair and effective. At the end of the day, we must show the public that we pay some attention to their concerns about government and governance.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I thank the Home Secretary for allowing advance sight of his statement.

Given the suspense involved in awaiting this important blueprint for reform of the Home Office and given that the Home Secretary has been working on it for 18 hours a day, I must say that I am somewhat underwhelmed by what appears at first glance to be a hotch-potch of managerial doublespeak and wildly implausible targets. Some of it, of course, is welcome—we have been calling for the creation of a semi-independent agency from the immigration and nationality directorate for a long time, and we obviously welcome it now—but can the Home Secretary explain why he did not go further and look at models in other European countries and in north America, where the monopolistic functions of the Home Office are divided between a justice ministry dealing with judicial issues and a separate ministry dealing with police and security matters? That model works extremely well in large parts of the western world; perhaps the Home Secretary could reflect on it further.

I was intrigued to learn that the end of the cold war is now held to be at least partly responsible for some of the woes in the Home Office, but I wonder why the unrelenting flow of headline-grabbing legislation from this Government—more than 50 Bills and more than 1,000 new offences in under a decade—was not mentioned in the statement. Surely the Home Secretary accepts that no Home Office, however structured or however reorganised, can work effectively as long as Ministers push it from pillar to post on the back of a volley of half-baked media gimmicks and legislative initiatives.

I believe that the Home Secretary announced today a new contract between Ministers and civil servants. Will he confirm that his side of the bargain will be to guarantee that he will not announce any new initiatives at the behest of newspaper editors until he has discussed them in full with his civil servants?

In the light of what is widely regarded as a bold if somewhat implausible claim that nearly half a million failed asylum seekers will be deported in less than five years, will the Home Secretary agree to look at the example of Canada, where a totally independent asylum agency has been created? Its functions are separate from the other functions of the immigration service, and it has proved spectacularly successful in dealing—free from political interference—with a highly sensitive area of public policy.

John Reid: I take it that when the hon. Gentleman spoke of the making of policy, he was referring to the protection of children. May I remind him gently that I was an Opposition spokesman on children 15 years before he entered the House? I spend considerable time thinking about these matters before I announce them.

As for the implausibility or otherwise of the performance objectives, I think it best to make them public and to let people judge, according to the milestones that we are also making public, whether we achieve them. I thought that, as an adherent to the policy of open government and good delivery, the hon. Gentleman would welcome that. As for management practices, I cannot pretend to be a management expert. I do not know whether the hon. Gentleman is one, but I assure him that I have full confidence in my permanent secretary and the top leadership, and in the external management experts who advise them.

The hon. Gentleman was a little churlish to diminish the efforts of many good people in the Home Office who have worked very hard for the past two months. They worked long hours, including weekends, to produce this as well as two other plans. The fact that the right hon. Member for Haltemprice and Howden (David Davis) was able to welcome many of the proposals is testimony to the good sense of those proposals.

The hon. Gentleman spoke of a monopolistic tendency in Departments. I should have expected him to welcome the fact that we are moving from the centre to the front line, talking about devolving accountability and responsibility, moving from centrally controlled to agency status and introducing contestability, which may result in a degree of privatisation in certain areas. What the hon. Gentleman said makes me wonder which document he has been reading. Nothing in this document moves towards monopoly; everything in it moves in the other direction. It may be the right or the wrong direction, but I should have thought that he would be able to discern the direction of travel.

The hon. Gentleman cast aside, rather dismissively, any suggestion that the cold war could have had huge geopolitical consequences that caused problems for all Departments. I remind him that my first job in Government involved reconfiguring the whole of the

[John Reid]

British armed forces because of the changes brought about by the cold war. It has affected all our lives. The extension of Europe to the east, which the hon. Gentleman will have welcomed—eight more countries, and possibly another two, with all the migration that that involves—is a direct result of it. Those are not insignificant events. We ought to start facing up to the challenges that the new world presents to us, and that is what I am trying to do today.

Several hon. Members *rose*—

Mr. Deputy Speaker (Sir Michael Lord): Order. A good many Members are seeking to catch my eye. May I appeal for brisk questions, and perhaps for brisk answers from the Home Secretary?

Mr. Chris Mullin (Sunderland, South) (Lab): As regards asylum, may I put it to my right hon. Friend that with all the talk of targets, tipping points and agencies, we are in danger of losing sight of the fact that we are dealing with human beings? Most people in this country are not as mean and nasty as most of our loathsome tabloids would have us believe. They do not want children who have lived in this country throughout their conscious lives sent back to destitution in countries such as the Congo, Angola and Sudan. May I therefore express the hope—

Mr. Deputy Speaker: Order. That is enough to be going on with.

John Reid: My hon. Friend made some of those points recently in an Adjournment debate, the report of which I read with interest. I have a degree of sympathy with what he has said, but I hope that he understands that the aim of those of us who talk of providing a fair and effective system of managed migration is partly, at least, to ensure that when genuine cases such as those that he mentioned arise, everyone in society accepts that fair and genuine decisions have been made. The problem at the moment—with so many unknowns, so many illegal immigrants and a system that so many people feel is not fair and effective on the immigration side and not balanced in favour of the law-abiding majority on the criminal justice side—is that the legitimacy of taking decisions gets undermined, but that is the balance that we are trying to strike.

Mr. Michael Howard (Folkestone and Hythe) (Con): Does the Home Secretary recognise that his proposals for transferring or transforming the immigration and nationality directorate of the Home Office into an agency will limit his ability to intervene as part of what he rightly described as carrying out the "unglamorous" business of good government if things continue to go wrong—if, for example, the fears expressed by the right hon. Member for Southampton, Itchen (Mr. Denham) about the effect of targets prove to be justified? Is that the Home Secretary's objective? Does he agree, given that he has described that part of the Home Office as not fit for purpose, that it would be better for him to continue to accept personal responsibility for its future performance rather than to offload it to an agency?

John Reid: There is no way that I would want to give up responsibility for an agency inside the Home Office, because the strategic direction, the policy decisions and so forth clearly lie with Ministers. I accept that the application of policy and operations cannot always be separated from policy decisions—there is no absolute differentiation between the two; there will be an overlap on occasions—and that some cases are strategically important, or perhaps in the national interest, so that a Minister has to intervene, but I nevertheless hope that by establishing the right regulatory and leadership framework and a greater degree of devolved responsibility to the agency, we will get a more effective output at the end of the day. That is, of course, a matter of discussion and if the right hon. and learned Gentleman, or, indeed, my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) have further points to make—they bring a great deal of experience to bear on the matter—I would be more than happy to reflect on them, as I do not regard the managerial aspect as a matter of party politics.

Mr. Gordon Prentice (Pendle) (Lab): Following that very point, I am interested in the new contract between Ministers and officials. When will it be put in place and will it be published? Where will ministerial responsibility end and the responsibility of officials begin?

John Reid: We have called it a renewed contract. My understanding, although I am not a constitutional historian, has always been that general responsibility for policy and strategic leadership lies with elected Members and Ministers, while responsibility for the detailed minutiae of operational work lies with officials—in the same way that advisers advise, but Ministers decide. It has at least been perceived and may have been the case in reality over recent years that Ministers can get involved in micro-managing operations to the detriment of the strategic whole. That is why we are trying to re-establish the relationship. As so often in other matters, the contract will be public, but this does not have the glamour of a contract signed by football players; it is an attempt to re-establish a balance in the relationship between Ministers and officials.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I served in the Home Office for three years under my right hon. and noble Friend Lord Hurd, and the Department was then not unfit. If it is unfit now, that is the consequence of Ministers who have overloaded and abused the Department. If the Secretary of State looked into recent failings—most notably, oppressive legislation struck down by the courts, the unjustified merger of police forces, the chaotic Criminal Justice Act 2003 and failing immigration controls—he would see that they were all the direct responsibility of Ministers. In those circumstances, it is unworthy to poor-mouth officials and not to take ministerial responsibility.

John Reid: I would have thought that I had taken a great deal of ministerial responsibility. The right hon. and learned Gentleman is a little unfair, but I hope that I am not being unfair when I say, first, that I did not say that the whole Department was unfit for purpose, but that certain fundamental systems in the Department were unfit for purpose. Secondly, if it was so fit for purpose when the right hon. and learned Gentleman was there. I wonder why crime doubled during that period. Thirdly, the suggestion that problems dealing with immigration, the number of illegal immigrants and the state of knowledge of data systems are afflictions that have been visited upon us only since we have had Labour Secretaries of State is not a true reflection of history.

Some of the right hon. and learned Gentleman's predecessors know full well that there are difficult problems to cope with. Tracking people in, tracking people through and tracking people out has always been difficult. In a world in which the number of migrants has doubled and we have 90 million visitors and roughly 90 million people going out of the UK, it becomes very difficult. That is the problem that we are trying to resolve. If Mr. Speaker allows me, I shall have more to say about that in the next few days.

Ms Sally Keeble (Northampton, North) (Lab): I very much welcome the reforms, especially the shift of resources to the front line, which is where my constituents want them to be. On the IND proposals, what will my right hon. Friend do to ensure that strict protocols are in place so that the system is secure, to cut out duplication and to ensure consistent decision making in what will be an arm's-length, decentralised agency?

John Reid: We can try to do that by simplifying the law. Much of the detail that my hon. Friend seeks I will, if I am allowed, elaborate on a future occasion. As I have said, my officials have been working very hard on two other sets of proposals: one is about rebalancing the criminal justice system and the other relates to the specifics of the IND. One thing that we certainly should do is listen carefully to what those with experience, either as constituency MPs or former Ministers, have to say. I think that I am correct in saying that in the past 24 hours my hon. Friend has met my hon. Friend the Minister for Immigration, Citizenship and Nationality to discuss the matter, and we are always willing to discuss it further.

Stewart Hosie (Dundee, East) (SNP): I thank the Home Secretary for advance notice of his statement and I welcome some of its contents, not least the plans to transform the culture, skills, systems, processes and data of the Home Office. He will be aware of many recent criticisms, such as foreign prisoner release, the missing passports fiasco, and the imbalance between the location of immigration officers and ports at which so few, if any, people illegally entering the country are apprehended. Can he assure us that, in making the changes in the 55 paragraphs and 38 high-level bullet points at the back of the action plan, there will be no loss of front-line focus in those areas? In particular, will there be a continued focus on the direct relationship and linkage between the Home Office and the Scottish Drug Enforcement Agency over serious crime and drugs issues and the counter-terrorism role?

John Reid: Yes, I certainly hope that that will be the case. By definition, if we are identifying international contacts and dealing with organised crime on a pan-national scale, it would be completely contradictory if we were to lessen the co-ordination in the fight against crime among the countries of the United Kingdom.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): In supporting the broad thrust of my right hon. Friend's proposals, may I gently remind him that, as those of us who have had extensive experience of the Child Support Agency know only too well, arm's-length agencies are not of themselves necessarily a solution? What steps will he take to ensure that the combination of challenging targets and a head-count reduction do not lead to the sort of collapse of morale that occurred in the Child Support Agency? That has many implications not just for the effective management of the system, but for meeting the needs of vulnerable individuals within it and, of course, for community relations, particularly in multiracial communities such as those in my constituency.

John Reid: If my hon. Friend will forgive me, I shall not go into the details of the immigration and nationality directorate reforms at this stage, because I hope to report back to the House with further detail shortly, as I have said. At that stage, I hope that she will be satisfied that we have achieved the right balance in respect of general accountability, regulation, objectivity, advice and autonomy of leadership. I agree with her that, on its own, agency status will not solve all the problems. I do not believe that an organisation's being in the private sector or the public sector necessarily makes it good or bad. Similarly, being an integral part of a Department or an executive agency is not necessarily all good or bad. However, I believe that what we are suggesting will provide a good degree of freedom for top management, in whom I have confidence, to take on the responsibility to lead and, in the midst of all the pressures on immigration from all sides, to sustain objectives. The maintenance of objectives is the first rule of achieving them.

Mrs. Jacqui Lait (Beckenham) (Con): I would be most grateful to the Home Secretary if he would accept from me that my immigration case load has gone up from 50 to 80 per cent. of the total in recent years and that that is primarily to do with the inordinate length of time that the Home Office takes to make decisions. What assurances can he give that, while the changes take place in the IND, a primary management objective will be to ensure that no further delays occur in my constituents' cases—or should I write to them to suggest that they must wait even longer?

John Reid: I certainly hope not. I assure the hon. Lady that the issue is very high in all our priorities. She is absolutely right to suggest that unacceptable delays, which run through from answering questions from Members of Parliament to dealing with immigration cases, are not only inconvenient for the individuals involved but highly deleterious eventually if anyone wants to deport those individuals. The longer that they stay here, the more that they have a case under article 8 of the European convention on human rights about the disturbance to their family life, as they have become settled. So there are all sorts of reasons why we ought to do such things far more swiftly.

Paul Flynn (Newport, West) (Lab): I welcome the statement, particularly as it contains no reference to the over-ambitious identity card scheme. I remind the Home Secretary that for the past nine months police forces in this country have not been, in his phrase,

[Paul Flynn]

sharply focused on their core purpose of catching criminals, because they have had to put up with the massive distraction of police reorganisation. Can he assure me that police forces such as my own in Gwent, which put a great deal of effort and resources into preparing for reorganisation, will be compensated for the money that they have wasted?

John Reid: I hate to disappoint my hon. Friend on a number of fronts. I hope that he is pleased that we have decided to abandon an approach by diktat and to try to fill the gap, which everyone thinks is there in the protective services, by discussion, dialogue, collaboration and partnership and, where possible, by strategic mergers. I hope that that will be done, and most people would think that, on balance, it is a far better way of doing it. That has certainly been the reception that we have had. I am sorry to disappoint him, however, about ID cards: the more that I see of the problems that we face in counter-terrorism, fraud and organised crime, the more that I become convinced that we made the right decision on ID cards, and I therefore reaffirm our commitment to them.

Mr. Gary Streeter (South-West Devon) (Con): I support the Home Secretary's firm intention to shift resources over time from headquarters to front-line services—I wish him well with that—but will he look urgently at the resources behind border controls? Certainly in Plymouth and at other ports of entry, there is a very real fear that many people, perhaps undesirable, and many undesirable substances are coming into the country with not a sign of a border guard or a Customs official to detect or deter them. Will that be looked at very urgently in his great new Home Office?

John Reid: I note what the hon. Gentleman says—most of our exercises in that respect are intelligence-led—but he may find it of interest to be here when we discuss in further detail some of the plans for the IND and wider, associated issues, if Mr. Speaker allows us to do so in the near future.

Mr. Michael Wills (North Swindon) (Lab): Can my right hon. Friend give any assurance at this stage that hon. Members will continue to have access to Ministers on behalf of constituents who are involved in particularly difficult immigration and asylum cases?

John Reid: Certainly I and the Ministers associated with me have always tried to make time available to hon. Members who want to speak to us on any matter. However, we all accept that a system whereby there is routine reopening and re-examination of every decision that is taken by the IND adds very little to its fairness but hugely to its inefficiency. So we must try to get that balance right. Again, we will return to that subject when we discuss the matter in the near future, I hope.

Mr. Richard Benyon (Newbury) (Con): May I ask the Home Secretary a question on ministerial accountability? On Monday, I asked the Minister for Immigration, Citizenship and Nationality a question about the sex for visas issue, which strikes right at the heart of the problems at the IND. I am afraid that I got a reply that showed that the Minister simply does not understand the issue and that the people concerned—the victim and her solicitors—have not been kept informed. That is an issue of fundamental importance to the integrity of the right hon. Gentleman's Department and the directorate. Will he look at a letter that I have written to him today, follow that case through and assure the victim of that incident and me that her concerns are being met?

John Reid: Yes. I will not refer to that incident, because I think that I am correct in saying that criminal investigations are still going on in that case. That is partly why my hon. Friend the Minister for Immigration, Citizenship and Nationality was reticent. Investigations are certainly going on in one or two of the cases. Therefore, we must be rather careful about what we say about them, but the hon. Gentleman is right to suggest that it is entirely unacceptable that such things go on. When they are discovered—we have strengthened our fraud investigations internally—people ought to be investigated and, where appropriate, disciplined and, again where appropriate, criminal charges should be brought, and they are being brought in some of those cases.

However, we are rather reticent to discuss cases openly for two reasons: first, if judicial proceedings are going on; and secondly, although we can try to ensure that such people are discovered and penalised, the intervention in individual and specific cases that involve members of staff is normally better left to the permanent secretary and others who manage the staff side. That is partly intended to maintain the integrity of the relationship between Ministers and officials. However, I fully accept the points that the hon. Gentleman makes about keeping the victim of that incident informed. If he would like to see me and my colleagues afterwards, I will see how we can do that in a way that is commensurate with not intervening in any judicial proceedings.

Mr. Bob Blizzard (Waveney) (Lab): While my right hon. Friend is reforming his Department, can we give some thought and appreciation to the people on the ground who are fighting crime, particularly crime reduction officers and community support officers? Will he join me in congratulating Crime Reduction Officer Steve Barrett in my constituency on coming up with the simple idea of producing a key fob with the picture of the community support officer on it, so that local people can recognise their CSO, and with the contact details on the back? That is a very effective way of helping community policing to work. Will he encourage other police forces to take up that simple idea?

John Reid: Yes, indeed. I congratulate the local neighbourhood policing team and the gentleman in question on that. I have not thought of doing something similar for the Home Secretary; it might not be as warmly received throughout the nation.

Mr. Richard Spring (West Suffolk) (Con): The Home Secretary will be aware that most members of the public have contact with the Home Office through their local police. In his statement, he talked about simplifying the procedures for the police and improving front-line services. In view of those comments, would he like to take this opportunity today to rule out clearly, unequivocally and without hesitation any prospect of those wholly unwelcome police mergers?

John Reid: I have already made my position known on that. In fact, I told the Police Federation within a week of coming into the post, I told the Association of Chief Police Officers a week later and I have told the House several times that I do not intend to force people to merge. The legislative, parliamentary and local support and the community, judicial, financial and fiscal problems of doing so were sufficient to deter even a Glaswegian from going in there, but I ask the hon. Gentleman to accept that the status quo is not acceptable and that some protective services need to be provided, and that therefore either through collaboration, partnership or some sort of voluntary merger, we should try to do so. That is what I have asked the Minister for Policing, Security and Community Safety to do. I hope that we never have to return to do that by diktat, because that is not the route that I prefer, and I have ruled it out certainly for the foreseeable future.

John Robertson (Glasgow, North-West) (Lab): I congratulate my right hon. Friend on his statement and what he is trying to achieve. May I direct his attention to the asylum seekers in my constituency, who have been there for at least five years? Their children have gone through primary school and are heading to secondary school. Adding another five years will mean that those children will be more British than from the country of their parents' origin. Will he ensure that they are looked after?

John Reid: I thank my hon. Friend for his comments. The longer it takes us to deal with cases, the more likely it is that the scenario that he outlined will occur. Then, of course, however fair or unfair the original entry into this country was, it becomes difficult to ask people to leave, not least because it is in contravention of article 8 of the European convention on human rights on settled family life. That is precisely why, if we are to have a fair system, it needs to be a speedy and efficient system. I certainly aim to ensure that that is the case so that we move from a vicious circle to a virtuous circle. That will not happen quickly and it will require great endurance. I hope to go into the detail in a few days' time.

John Hemming (Birmingham, Yardley) (LD): The creation of an agency is like moving around the deckchairs on the Titanic, rather than keeping an eye open for icebergs. One of the icebergs is hospital orders. Does the Home Secretary agree that we need to consider how offenders are handled if they are given hospital orders and how the National Offender Management Service deals with people at the end of such orders?

John Reid: Yes. Quite separately from what I am telling the House today, a written ministerial statement has been issued by my hon. Friend the Minister for Immigration, Citizenship and Nationality, which addresses several issues regarding foreign national prisoners and associated areas. I agree with the hon. Gentleman, but I would point out that while we will have another opportunity to discuss the immigration and nationality directorate, we have hugely reduced the number of asylum seekers and hugely speeded up the process of dealing with them. For the first time in our history, we are deporting more false asylum claimants than we believe are coming into the country. That is what is allowing us to tackle the inherited legacy of cases. We are slowly winning the battle, but I hope that people recognise that—apart from the IND—the document published today about the transformation of the Home Office is very significant and will be challenging for the permanent secretary and everyone involved. I hope that we will all give them a great deal of support as they try to transform this old, important and venerable Department of State into one that is fit for purpose in every conceivable direction.

Mr. James Clappison (Hertsmere) (Con): Notwithstanding the connection that the Home Secretary has drawn between the ending of the cold war and mass migration, the statistical fact is that there was a sharp and significant increase in net migration into this country after 1997, in no small measure as a result of Government policy. Will the Home Secretary reflect on the estimate given by the Office of the Deputy Prime Minister on housing demand, namely, that up to 2026 around a third of net household formation—65,000 additional households a year—will be attributable to immigration?

John Reid: The hon. Gentleman needs to remember that apart from mass migration being easier because of the porous nature of borders, failed states and the push factor of civil wars, there was also a magnet effect in this country after 1997. The economic development and the employment opportunities provided by 2.5 million extra jobs, which had not—in fairness—existed under the previous Administration, pulled people in. That is why it became an even greater challenge. The reduction of 72 per cent. in the number of asylum applicants, the speed with which they are dealt with, and the tackling of the inherited legacy—which goes way back to the early 1990s—are all stages on a journey that has had measured success. However, we now need to redouble our efforts and transform the whole of the system.

Mr. Richard Bacon (South Norfolk) (Con): On 31 January, the Home Office presented a set of accounts to Parliament that was unaudited. I am sure that the Home Secretary will agree that that is not only unacceptable, but disgraceful. Can he give a guarantee that that will not happen next year and that Sir David Normington will have the top team support that he needs to ensure that it does not happen? Who will do the external audit of progress that will be conducted in December?

John Reid: Yes, it is entirely unsatisfactory that the accounts should be in that state, and that is why I included them among the difficulties in my statement. However, I cannot guarantee to the hon. Gentleman that things will go as swiftly and as orderly as I would like with the next set of accounts, because the difficulties were not remedied until halfway through the financial year that has yet to be approved. That might be a qualification. I can assure him that Sir David is well on top of the issue and has been at the centre of all the work of the past few weeks. He will have all of the assistance that he requires. I cannot guarantee, however, that there will be no problems.

Justine Greening (Putney) (Con): On the issue of indefinite leave to remain, rather than asylum, can the Home Secretary tell us how many outstanding cases

[Justine Greening]

there are and the time taken to process those applications? How will his reforms impact on that waiting time? Many of my constituents wait five, six or seven years to get through the process and have still not reached the end by the time they come to see me. It would be helpful if the Home Secretary could give some opening statistics on where we are today.

John Reid: If I could get reliable statistics of that nature, it would be very helpful. One reason why we are carrying out a fundamental overhaul of our systems, including our information systems, is that such information is not easily to hand—and, when it has been in the past, it has proved unreliable. I accept that verifiable databases and information systems are a fundamental part of any modern organisation that is trying to tackle such problems. I invite the hon. Lady to take part in our longer discussions when I make a statement—if I am allowed to do so—on the transformation of the immigration and nationality directorate. Everyone gets a second bite of the cherry under a new Labour Government.

Mr. Henry Bellingham (North-West Norfolk) (Con): On Monday, I asked a junior Minister if he could tell the House the exact number of failed asylum seekers awaiting deportation. He could not give me that number. Surely, if someone fails their asylum application appeal, a record must be kept somewhere. How can the Home Secretary have any confidence in his ability to sort out the asylum system unless he has that vital information to hand?

John Reid: I thought that I had covered that point honestly in my statement. I gave the House the number of cases—or files—but I pointed out the complications of that number, in that some files are duplicates; some are in error; some may not have been asylum seekers, but people whose stay here had been approved and who had not been contacted yet; some may have left of their own volition; some may now be here legitimately because they came from states that have subsequently become part of the European Union; and some may even have died. For all those reasons, I cannot give the hon. Gentleman an exact figure. I have a quote from the last Conservative Home Secretary, who said:

> "By its very nature, illegal immigration is difficult to measure and any estimates"

[Interruption.] Well, illegal immigration and failed asylum seekers who have disappeared like illegal immigrants and are trying to evade the authorities bear a striking similarity in terms of how difficult it is to calculate their number *[Interruption.]* The hon. Gentleman should listen to the answer that he sought from me, which is that we can give the estimate that the National Audit Office produced last year of up to 283,000, to which we should add dependants. I cannot give the hon. Gentleman an accurate figure, but nor could the last Tory Home Secretary.

Points of Order

1.39 pm

Dr. Liam Fox (Woodspring) (Con): On a point of order, Mr. Deputy Speaker. As you know, there have been exchanges between hon. Members and Mr. Speaker about parliamentary answers. On 10 July, I asked the Secretary of State for Defence what assessment he had made of the frequency, scale and sophistication of Taliban attacks on British forces in Helmand province. In reply, I was told what we knew already—that attacks had increased with the deployment of British troops in the south of Afghanistan. However, the end of the right hon. Gentleman's answer was extraordinary. He said that neither the Taliban nor the range of illegally armed groups currently posed a threat to the long-term stability of Afghanistan. That is exactly the opposite of what the House has been told over recent months. This country has deployed troops to Operation Enduring Freedom and to the NATO mission precisely to secure the long-term stability of Afghanistan. Can you, Mr. Deputy Speaker, ask Mr. Speaker to use his good offices to ask the right hon. Gentleman to come to the House and explain what he meant by that answer, which hon. Members will find as perplexing as it is disturbing?

Mr. Deputy Speaker (Sir Michael Lord): As the hon. Gentleman knows, Mr. Speaker has no direct responsibility for the quality of ministerial replies to questions. If he consults the Table Office, I am sure that staff there will be able to assist him in following up answers that he regards as inadequate. I am sure that Mr. Speaker will have noted again the points that the hon. Gentleman has made today, as they will be on the record.

James Duddridge (Rochford and Southend, East) (Con): On a point of order, Mr. Deputy Speaker. During questions to the Office of the Deputy Prime Minister this morning, I asked a question about casinos. In his reply, the Deputy Prime Minister accused me of receiving money from casinos via my Conservative association. That is wholly and totally untrue; it is a very concerning accusation that has no substance. What advice can you give about how I can place it on record that the accusation is untrue? Does Mr. Speaker have the power to call the right hon. Gentleman back to the House of Commons to set the record straight?

Mr. Deputy Speaker: I think that accusations of any kind, from any side of the House, should be thought through very carefully before they are made. They should not be made as often as they are, but the hon. Gentleman has succeeded in putting the matter on the record.

Mr. John Hayes (South Holland and The Deepings) (Con): On a point of order, Mr. Deputy Speaker. On 28 June, I asked the Prime Minister a question about infant class sizes. I put it to him that he had not met the pledge on that subject that he made before the 1997 election. He said:

> "As far as I am aware, the infant class pledge has been met."—[*Official Report*, 28 June 2006; Vol. 448, c. 259.]

Yet Government figures reveal that nearly 30,000 children are being taught in infant classes with more than 30 children. I have written to the Prime Minister telling him that he inadvertently misled the House, but he has not replied. What further steps can I take to oblige him to correct the record, as this is a serious breach of his responsibilities to this House?

Mr. Deputy Speaker: I trust that the Prime Minister will reply in due course, and that the hon. Gentleman will be satisfied with the answer. When figures such as those are bandied about, they are often less a matter of record than of debate.

Mr. David Gauke (South-West Hertfordshire) (Con): On a point of order, Mr. Deputy Speaker. Through you, may I thank Mr. Speaker for an intervention that he made in respect of a parliamentary question that I tabled on 25 May? I finally received a response yesterday. The question asked how many questions tabled to the Home Office before 5 May had remained unanswered by 25 May, and yesterday's answer put the number at 565.

This is a hugely important matter, and I am grateful for Mr. Speaker's intervention. I understand that the Home Secretary has said that the problem will be resolved by 9 October and that questions will be answered appropriately. However, parliamentary questions are very important to Back-Bench Members who want to put the Government under scrutiny. Will you urge the right hon. Gentleman to ensure that he fulfils his pledge?

Mr. Deputy Speaker: The whole matter of questions to Ministers and their answers is clearly extremely important. The House is already aware of Mr. Speaker's interest in the matter, and the hon. Gentleman has placed his concerns clearly on the record.

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Mr. Deputy Speaker. Have either you or Mr. Speaker been approached by the Ministry of Defence with a request to allow a Minister to give an oral statement to the House about troop deployment to Iraq? I discovered from a written statement yesterday that my local regiment, the Black Watch, was being asked to undertake an unprecedented third tour of duty in Iraq that does not comply the 24-month period that should elapse between deployments. Given that the deployment is so contentious, should not a Minister come to the House to be questioned by hon. Members?

Mr. Deputy Speaker: There is a debate on these matters tomorrow. I trust that that will allow the hon. Gentleman the opportunity to raise the points that he is now raising with me.

Mr. Mark Harper (Forest of Dean) (Con): Further to the point of order raised yesterday by my hon. Friend the Member for Hemel Hempstead (Mike Penning) about supplying water to visitors to the House, a delegation of more than 600 of my constituents had to stand outside the House in tremendous temperatures. I hope that you are able to convey to Mr. Speaker my gratitude for his kindness and thoughtfulness in ordering the Serjeant at Arms Department to make water available to those visitors.

Mr. Deputy Speaker: I am sure that Mr. Speaker will read with interest the points that the hon. Gentleman makes.

Samurai Swords

1.45 pm

James Brokenshire (Hornchurch) (Con): I beg to move,

> That leave be given to bring in a Bill to forbid the sale, manufacture, hire, loan or importation of sharpened samurai swords, and for connected purposes.

The recent knife amnesty has reminded us of just how many knives and other bladed weapons are in circulation in our communities. Nearly 90,000 weapons were handed in to police and, in virtually every local or regional news story that I have read, samurai swords are mentioned as having been deposited at police stations during the amnesty. It is a sad fact that there is an increasing number of these lethal weapons out on our streets, and ease of supply is a significant factor.

Too many families and communities have suffered the appalling consequences arising from the use of samurai swords. In my own area in and around Hornchurch, we have seen at least three serious incidents. In one, a man's hand was severed, and another involved a serious assault. In the third incident, mothers and toddlers were forced to flee a children's play site when someone started wielding a sword in the area where the youngsters were playing.

I wish that I could say that those were isolated incidents. However, from a brief examination of some of the reported attacks that have taken place this year alone, it is clear to me that samurai swords are being used increasingly in violent crime up and down the country. The following extracts from stories in the past few months give some feel of the nature of the incidents involving the use of samurai swords:

> "Two gang members have been found guilty of murdering a builder with a samurai sword at a pub in Newport".
>
> "Police in County Durham have released the name of a woman who died after she was stabbed with a samurai sword and then run over by a car"
>
> "A teenage thug who nearly killed a man when he sliced through his chest with a samurai sword is facing years in jail. The victim's heart stopped twice on the operating table as surgeons battled to save his life"
>
> "A robber who threatened to behead a hotel porter with a samurai sword has been jailed for seven years".
>
> "A twenty six year old man has appeared in court charged with the murder of a man who was stabbed with a samurai sword in Corby."

Those are just a few examples, but each case highlights the tragic consequences when these weapons are used. I have little doubt that hon. Members on both sides of the House will be able to provide many other examples.

There is also a disturbing link between samurai swords and gang culture. It has been suggested by some that obtaining a samurai sword is almost becoming a rite of passage for criminal gang members. The recent pictures in the national press of 15-year-old Alex Mulumba—thought to be a member of the south London gang "Man Dem Crew"—lying in his hospital bed with a ventilator tube protruding from his mouth after sustaining a single fatal stab wound from a samurai sword say a great deal about the impact that those weapons are having on the streets. A report in the *Daily Mirror* from last December summarizes the position well. It said:

> "Police in Plymouth are reporting once incident involving a samurai sword every week. In Middlesbrough they are the 'most attractive weapon' for thugs ahead of guns and knives. A senior Home Office source said, 'They are now the weapon of choice amongst many organised criminals'."

Yet buying one of those potentially lethal implements could not be easier. People can buy them in shops, in markets, on the internet and even in car boot sales. As one commentator said:

> "It's as easy as purchasing a lotto ticket."

Police and trading standards officers are absolutely powerless to do anything about that. Although it is an offence to have a samurai sword in a public place without good reason or lawful authority, it is entirely within the law to sell an item with a blade or point—including a samurai sword—to someone over the age of 16. That seems ludicrous to me, and the consequences of having these dangerous swords out on the streets in criminal hands is increasingly plain to see.

I have become convinced that the availability and supply of these items is a significant factor. A campaign last autumn by Devon and Cornwall police calling on shops to stop selling samurai swords had a clear impact. Instead of averaging one samurai sword incident a week, the force reported only a single incident during its three-month campaign. The time has come to ensure that that approach is taken across the country and that it is given statutory force through legislation.

That said, it is important to recognise that many people use or possess samurai swords lawfully and without causing harm to anyone else. The sports of kendo and aikido specifically call for the use of Japanese swords. The original Japanese katana is the sword that is most commonly referred to as a samurai sword, and those traditional items, forged with the highly specialized tamagahane steel, are highly valuable and important cultural and historic items, some of which are considered works of fine art. It is possible to frame legislation in such a way that sales of samurai swords to museums, heritage bodies, martial arts groups, theatre and drama companies and other lawful groups can be protected, while banning the sale of dangerous weapons for criminal use.

The reference to "sharpened samurai swords" in the text of my proposed Bill is intended to reflect that approach, as a number of samurai swords imported into the UK are made from an aluminium composite that cannot be sharpened to have a cutting edge and therefore would not be capable of being used for the sorts of attacks that I have highlighted.

If action is required, which I believe it is, the only realistic alternative to prohibiting the sale and importation of samurai swords is some form of licensing scheme. I am persuaded that a general scheme would be costly and bureaucratic and would not reduce the flow of these items into criminal hands. However, licensing of certain groups or organisations may assist the framing of the exemptions that I have highlighted, and I will certainly reflect on that in the drafting of the Bill, should I be granted leave by the House today. The Home Office has said for a long time that it is considering a ban on samurai swords—that was said most recently by the current Home Secretary on 19 June—but we have yet to see a firm commitment actually to introduce legislation to that effect. Although powers are being reserved, it remains uncertain whether those powers will be used. It is for that reason that I seek leave to introduce this Bill.

There is a clear and increasingly worrying link between gang culture, violent crime and the use of these dangerous implements. Reducing the ease with which such swords are supplied would have a direct impact on taking these potentially deadly weapons off our streets. A ban on the sale, import and manufacture of such items—with appropriate exemptions—is the only practical way of giving effect to my intent. The time to act is now. I hope that the House will take this opportunity to introduce a law that will significantly restrict the sale of these potentially deadly items, and in so doing reduce the number of serious attacks in which samurai swords are used.

Question put and agreed to.

Bill ordered to be brought in by James Brokenshire, Mike Penning, Mr. Lee Scott, Angela Watkinson, Mr. David Jones, Mr. Shailesh Vara, Jeremy Wright, Andrew Rosindell, James Duddridge, Mark Pritchard, Martin Horwood and Mr. David Amess.

SAMURAI SWORDS

James Brokenshire accordingly presented a Bill to forbid the sale, manufacture, hire, loan or importation of sharpened samurai swords; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 20 October, and to be printed [Bill 217].

Opposition Day

[UN-ALLOTTED DAY]

Home Information Packs

Madam Deputy Speaker (Sylvia Heal): I advise Members that Mr. Speaker has selected the amendment in the name of the Prime Minister.

1.56 pm

Michael Gove (Surrey Heath) (Con): I beg to move,

That this House expresses profound concern at the lack of adequate preparation made for the introduction of the Government's Home Information Packs (HIPs); is further concerned at the failure on the part of the Government to provide a substantive pilot scheme; acknowledges the misgivings of various professional organisations; registers grave concern about the failure of HIPs to include reliable information on electrical safety, flood risk and contaminated land; fears that the cost of providing a HIP could be as high as £1,000; asserts that valuations and surveys will still be required, particularly for first-time buyers, increasing the cost of buying and selling a home; and notes that independent economic experts have warned of a negative impact on the economy arising from the introduction of HIPs.

May I say how pleased I am that the Minister for Housing and Planning is still in her place, because this debate gives me an opportunity to congratulate her on grasping the nettle, which her predecessors avoided, of signalling the death of home information packs? For let us be in no doubt that the announcement that she made yesterday—with becoming modesty, by way of a written statement—was an obituary to the Government's plans to tie up the housing market in red tape. The Minister has come to the House today not to praise HIPs, as she may have anticipated a week ago, but to bury them.

Mr. Jim Devine (Livingston) (Lab): I am grateful to the hon. Gentleman for making reference to last week, because a week last Sunday I read in my newspapers that the major issue for the Opposition was English votes for English Members. I cleared my diary and prepared my speech in defence of the Union. I wanted to ensure that there would be no second-class MPs. What happened?

Madam Deputy Speaker: Order. The topic under consideration in this debate is home information packs.

Michael Gove: Thank you, Madam Deputy Speaker. I am always delighted to hear from a fellow Scot in such debates, and I look forward to hearing what the hon. Gentleman might wish to say about the subject that is actually being discussed this afternoon.

Despite the Minister's many skills at the Dispatch Box and elsewhere, she will not be able to disguise that the central part of HIPs—the keystone around which everything else was constructed—has been demolished. Her decision yesterday to make home condition reports a purely voluntary part of HIPs means that they are now, in effect, a dead letter. After all, who in their right mind will voluntarily wish to pay hundreds of pounds extra for a home condition report, with all its current defects, simply to market their property, when they can go ahead without one? Making the preparation of a

[Michael Gove]

home condition report voluntary is like making payment of council tax voluntary—something the former Office of the Deputy Prime Minister knows all about. If a Government-mandated levy is no longer obligatory, why should people pay?

The Minister for Local Government (Mr. Phil Woolas): For the benefit of the House, I should point out that council tax collection rates are at their highest ever level.

Michael Gove: I am delighted to acknowledge that, thanks to the wonderful campaign conducted by my hon. Friend the Member for Meriden (Mrs. Spelman), the Deputy Prime Minister has at last succeeded in paying his council tax, no doubt contributing to the increased collection rates in Conservative-run Westminster council.

Madam Deputy Speaker: Order. I have already said that the motion under debate is home information packs—not council tax, nor anything else.

Michael Gove: Thank you very much for your welcome intervention, Madam Deputy Speaker; it allows me, despite the temptation offered by the Minister for Local Government, to get back on course.

I am naturally delighted that the Minister for Housing and Planning, in making yesterday's announcement, accepted the force of Conservative arguments, because we have consistently highlighted the scheme's weakness and invited her to climb down. I am particularly delighted that she has appreciated the importance of economic stability and the vital role that a stable housing market plays in ensuring such stability. *[Interruption.]* Labour Members laugh—perhaps they take a cavalier approach to economic stability—but we Conservatives put it at the heart of economic policy. That is why we welcomed the independent report by the lenders GMAC-RFC, which showed precisely what consequences the introduction of home information packs might have for the housing market and broader economic stability.

Emily Thornberry (Islington, South and Finsbury) (Lab): I presume that the hon. Gentleman is a fan of free markets, given his background in the Policy Exchange and his being a Tory, and all. So I am sure that he is aware that free markets can be fair only if everyone has the same information. Is his opposition to the Government's plans merely based on keeping information in the hands of the rich, rather than making it available to all?

Michael Gove: That was a beautifully read intervention. As a believer in free markets, I welcome precisely what the Government have done, which is to replace something that would have been compulsory—an intervention and a regulatory clogging of the market—with a voluntary proposal that allows the market to continue to function well.

As I was pointing out, we Conservatives welcomed the report by independent lenders GMAC-RFC, which pointed out that, unfortunately, the introduction of home information packs could—if the Government had gone ahead with them—have had profoundly destabilising effects on the housing market. That report took the Government's own projections of the likely effect of home information packs—a 10 per cent. reduction in the number of properties for sale—and fed the figures through the Treasury model. The report showed that, as a result of pressing ahead, there would have been a deleterious effect not just on economic stability, but on gross domestic product and unemployment. *[Interruption.]* The right hon. Member for Greenwich and Woolwich (Mr. Raynsford) laughs, but the silence from the Treasury at that point was notable. It did not utter any criticism, as it so often does when independent economic reports and forecasts are made, of that report. Indeed, shortly after it was published, the Treasury made its feelings known and, sure enough, the Minister for Housing and Planning, who keeps in close touch with Treasury thinking, ensured that it was taken proper heed of and that a voluntary scheme was introduced.

Tony Baldry (Banbury) (Con): Was not the sad reading from the Whip's brief that we heard earlier evidence of the Government's considerable embarrassment at having got the worst of all possible worlds? My hon. Friend is being far too kind to the Minister—*[Interruption.]*

Emily Thornberry: On a point of order, Madam Deputy Speaker. I was not reading from the Whip's brief, but from my own fair hand. I have many notes and pieces of paper here—

Madam Deputy Speaker: Order. That is not a point of order for the Chair; it is a point of debate and the answer is now on the record.

Tony Baldry: Does not the hypersensitivity of the hon. Member for Islington, South and Finsbury (Emily Thornberry) at my pointing out her reading from the Whip's brief demonstrate that the Government are greatly embarrassed? As I said, my hon. Friend the Member for Surrey Heath (Michael Gove) is being far too kind to the Minister, and we are ending up with the worst of all possible worlds. The chief executive of the Association of Home Information Pack Providers says that the energy performance certificates will cost £200 each, which is a ludicrous price for people to have to pay when moving home, on top of everything else. My hon. Friend is being far too gallant today in his comments to the Minister.

Michael Gove: I am flattered by the generous words of my hon. Friend; it has always been my intention to forge a consensus, wherever possible. Under the leadership of my right hon. Friend the Member for Witney (Mr. Cameron), we have said that, when the Government do the right thing, we will agree with them. Belatedly, the Minister has done the right thing, so it would be churlish of me not to acknowledge that.

Mr. John Hayes (South Holland and The Deepings) (Con): I am extremely grateful to my hon. Friend for giving way; his perspicacity and astuteness has led to the Government changing their mind. It is not as if we did not warn them. When this matter was debated in

Committee during the passage of the Housing Act 2004, we told them that home information packs would be a disaster, because they would end first-day marketing, add costs to the system and put pressure on those already facing difficulties in selling or buying. We also pointed out that they would not get enough inspectors. All those things have come true. Why did the Government not recognise that then, and why have they pursued this policy with such vigour ever since?

Michael Gove: I thank my hon. Friend very much for his intervention and he is quite right. He and my hon. Friends the Members for Cotswold (Mr. Clifton-Brown) and for Poole (Mr. Syms) exhibited rare prescience during the passage of the Housing Bill, pointing out precisely the dangers that the Government have only now recognised. The question that we have to ask is why it has taken the Government two years and millions of pounds of taxpayers' money to realise the folly that was clearly pointed out to them by my colleagues.

Several hon. Members *rose*—

Michael Gove: What an embarrassment of choices! I give way to the hon. Member for Wrexham (Ian Lucas).

Ian Lucas (Wrexham) (Lab): I am grateful to the hon. Gentleman for giving way and I am listening carefully to what he has to say. Is he aware—I speak as a former domestic conveyancing solicitor—that there is profound concern at the huge costs involved for consumers, about whom I know he is very concerned, in proceeding to purchases that inevitably fail because of vendors' failure to disclose? Is it not right that we should try to improve what is a defective conveyancing system?

Michael Gove: The hon. Gentleman makes a good point and I am grateful to him for declaring his interest. We should certainly seek to improve the conveyancing system, but nothing in the Government's proposals would have done so. It was clear, particularly from the comments of smaller solicitors directly involved in conveyancing, that by proceeding as the Government planned to do before yesterday's written statement, specialist conveyancing solicitors would have lost out. Family firms that provide diversity and competition would have been swallowed up by a move toward conglomerates, which would have provided a poorer and shoddier service.

Several hon. Members *rose*—

Michael Gove: Now, the embarrassment of choices is slightly smaller. I give way to the hon. Member for Hastings and Rye (Michael Jabez Foster).

Michael Jabez Foster (Hastings and Rye) (Lab): I am grateful to the hon. Gentleman for giving way. As he is looking for consensus, can we decide what we do agree about? Does he believe that energy performance certificates are an important element, or does he oppose them, as well?

Michael Gove: I agree that energy performance certificates are very important; indeed, we—like, I think, every party in this House—are happy to see the EU directive in question implemented. But I should make it clear to the hon. Gentleman that his own Government have specified that people do not need home information packs in order to comply with that directive. The Northern Ireland Office made that perfectly clear in 2004 and 2006, and I am sorry that the briefing supplied by the Government did not enlighten him on that fact.

Several hon. Members *rose*—

Michael Gove: Now, I give way to the hon. Member for Sheffield, Attercliffe (Mr. Betts).

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I thank the hon. Gentleman for giving way. He believed last week that vendors, when selling their property, ought to provide information on electrical safety, flood risk and contaminated land. Does he still believe that they should provide that information up front when selling a property, and does he still believe—as he also did last week—that, in order to ascertain the precise effect on the markets of the move to home information packs, there should be a paid-for, dry-run pilot scheme in certain parts of the country?

Michael Gove: The hon. Gentleman has gifts of clairvoyance or second sight even greater than those of my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes). As the hon. Gentleman will be aware, there was no debate last week on this issue, so there was no opportunity for me to make my views clear. He very helpfully makes a point that we have been trying to make—that the home condition reports that the Government were going to introduce would not have enlightened people as to flood risk, contamination or the threat of radon gas in properties that they might have purchased. As a result, clearly deficient information would have been provided.

The hon. Member for Islington, South and Finsbury (Emily Thornberry) said earlier that, in order to operate effectively, markets have to give people adequate or appropriate information. The home condition reports simply would not have done that, as the Council of Mortgage Lenders pointed out. As the Prime Minister made clear at the Dispatch Box not two hours ago, that was one of the reasons why the Minister had to execute the U-turn that she did.

Several hon. Members *rose*—

Michael Gove: I am delighted to give way to my hon. Friend the Member for Castle Point (Bob Spink).

Bob Spink (Castle Point) (Con): I am grateful to my hon. Friend for giving way; he is being most generous. This knockabout is all very well, but will he address the plight of home inspectors? Some 232 have qualified so far, having paid about £7,000 to do the course, and many more are in training. What are they going to do? Are they going to be left to hang out to dry as a result of this Government's further U-turn?

Michael Gove: My hon. Friend makes a characteristically acute point. One question that we must ask is, what is going to happen to all those people who were encouraged to invest up to £8,000 of their personal fortunes in training for a scheme that will not now be implemented?

[Michael Gove]

They have all been marched up to the top of the hill, only to be marched down. In contemplating the Deputy Prime Minister's translation to the upper House, it is a great pity to note that the title of grand old Duke of York has already been taken. His position on this issue fits him adequately for that title.

Several hon. Members *rose*

Michael Gove: I give way to my hon. Friend the Member for Upminster (Angela Watkinson).

Angela Watkinson (Upminster) (Con): I thank my hon. Friend for giving way. I wonder whether hope is in sight for inspectors who are partly trained or hoping to train. My hon. Friend will have noticed that the conclusion of yesterday's statement says:

> "Mandatory HCRs will remain on the table if the industry fails to make a success of the roll out of HCRs." [*Official Report*, 18 July 2006; Vol. 449, c. 13WS.]

Michael Gove: My hon. Friend makes a good point in saying that the Government are attempting to cover their nakedness in their retreat by saying that they retain the right to introduce mandatory home condition reports. One of the questions we all have to ask is, given how few people trained as home inspectors and given how the Government have already reneged on the deal that they implicitly entered into with those people who did train, who now would be foolish enough to invest £8,000 to become a home inspector? I think it extremely unlikely that we will see any return of mandatory home condition reports.

Dr. Andrew Murrison (Westbury) (Con): Does my hon. Friend have a sense of déjà vu? Only a little while ago we had the home computer initiative, which seemed to encourage people to invest in their own training, only for them to find the Government pulling the rug from under them. To me, those inspectors seem to be in exactly the same position.

Michael Gove: My hon. Friend makes an excellent point and might well have pointed out the scandal of the Government's U-turn on self-invested personal pensions, where they encouraged people to make a series of investments only suddenly to pull the rug from underneath them. One of the key things that makes markets work is stability and certainty. One of the key aspects of the way in which the Government have operated has been their encouraging people to make investments then changing the rules so that those investments trickle into the sand. For a Government who seem to be committed to prudence, they are remarkably improvident with other people's money.

Emily Thornberry: For certainty, could you help me? We are obviously slightly slow on this side of the House, but are you in favour of energy performance certificates, or are you not? If you could just say yes or no.

Madam Deputy Speaker: Order. Perhaps I might remind the hon. Lady of the convention of the House that means that "you" is the occupant of the Chair. I do not declare what I am in favour of.

Emily Thornberry: Would the hon. Gentleman enlighten those of us on the Labour Benches on whether he is in favour of energy performance certificates? Would the hon. Gentleman help us by simply saying yes or no? [HON. MEMBERS: "He has."] He seems to have said yes and no today, so might he give us one definitive answer? Is it yes, he is in favour of them, or is it no, he is not? We would really appreciate an answer.

Michael Gove: I am always grateful to hear from the hon. Lady, who gives me the opportunity to repeat the point that I made to her hon. Friend the hon. Member for Hastings and Rye (Michael Jabez Foster). I absolutely believe that we should comply with the EU directive, as I mentioned in response to her hon. Friend. The Government—her Government—have made it clear that we do not need home information packs in order to comply with that directive. They have made that clear in Northern Ireland, and what is sauce for the Ulster goose should be sauce for the rest of the UK gander.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): My hon. Friend is to be congratulated on his sustained comments on this matter and on making the Government make a U-turn in their statement yesterday. Is he aware that the gestation of this issue lies as far back as the Labour party manifesto of 1997? Since then, they have had three general elections and two Bills in Committee, and numerous eminent bodies have told them their proposal would not work. Does my hon. Friend think that the Government need to become slightly quicker learners?

Michael Gove: I could not have put it better myself. My hon. Friend makes an excellent point, and I pay tribute to him for being one of the most dogged and persistent interrogators of the Government in this regard. It is thanks to the questions that he has asked and the speeches that he has made that the Government have been forced to conclude where they have.

Chris Bryant (Rhondda) (Lab) *indicated dissent.*

Michael Gove: The hon. Gentleman tries to make a sedentary intervention. If he would like to rise and make an argument, I should be more than happy to counter it. If not, I suggest he listens and learns.

My hon. Friend the Member for Banbury (Tony Baldry) offered a stricture on my concern for the Minister for Housing and Planning. However, I sympathise with her. She, as much as any of us, is a victim of the serial incompetence of the late Office of the Deputy Prime Minister. In 2004, the then Minister for Housing and Planning, the right hon. Member for Streatham (Keith Hill), argued that home information packs would end a shambolic home-buying and selling process. The right hon. Gentleman is now parliamentary private secretary to the Prime Minister, so he is well qualified to talk about shambolic home-buying and selling processes.

During the passage of the Act that brought the packs into force, when the right hon. Member for Streatham held the post of Minister for Housing and Planning, the case for making the packs voluntary—the case that the present Minister has now accepted was made forcibly and eloquently by my hon. Friends the Members for South Holland and The Deepings, for Poole and for Cotswold. As we have heard, that was all to no avail. The Minister heard the arguments; she was on the Committee. But she was honour-bound to follow where the right hon. Member for Kingston upon Hull, East (Mr. Prescott) led, and that, as we know, is always a dangerous path to follow.

The ODPM is now no more. The Minister is free from that encumbrance and has at last found her voice. It has taken a little time, though. As recently as two months ago, she was hailing home information packs as a welcome reform that would transform the home-buying and selling process. Only last month, she trumpeted the improved efficiency that HIPs would bring. We tried to point out the flaws in the scheme to her, but she denounced us—all of us—for being in the pocket of vested interests. Now, though, she has accepted our case that the scheme is flawed at its heart and needs a fundamental review. It would be, I have to say, churlish for us to do anything other than express our delight. As I am sure the Secretary of State will have told the Minister, there is more joy in heaven over one sinner that repenteth.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): I have listened to what the hon. Gentleman has had to say and he has had a lot of cheap laughs. But the home improvement pack has been introduced to safeguard the interests of first-time buyers, so while he has his cheap dig at the Office of the Deputy Prime Minister he might remember that the Deputy Prime Minister has introduced a number of significant safety measures to homes that have meant less people losing their lives in their homes. The hon. Gentleman has dismissed the home condition report, but applauded the energy saving instrument. That is fine, but to get energy saving, we need some of the instruments available in those home condition reports. He said no to that, and what he is actually saying is no to better home efficiency.

Madam Deputy Speaker: Order. The hon. Lady knows that interventions must be brief.

Michael Gove: Thank you, Madam Deputy Speaker. The hon. Lady's intervention might perhaps be better directed to her hon. Friend the Minister for Housing and Planning. If she is such a great fan of home condition reports, she should concentrate her strictures on the Minister responsible for torpedoing that flagship.

Mrs. Curtis-Thomas *indicated dissent.*

Michael Gove: One thing I should say is that we are actually debating home information packs, not, as the hon. Lady implied, home improvement packs. There is a clear distinction between the two. Home information packs are the legislation that we are discussing; home improvement packs are merely a solipsism to which the hon. Lady fell prey.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): Does my hon. Friend agree that references to first-time buyers bring to mind the fact that first-time buyers are often short of money? They have enough stress as it is and the need to produce extra cash for these useless packs—[HON. MEMBERS: "They do not!"] Perhaps Members on the other side—

Madam Deputy Speaker: Order. The hon. Gentleman should make his point briefly. I think that his Front-Bench colleague will have understood what has been said.

Michael Gove: My hon. Friend knows something about buying and selling houses and is absolutely right to say that these packs, had they been introduced, would have failed first-time buyers. [HON. MEMBERS: "Ah!"] Let me explain; I shall be delighted to do so and shall take as long as hon. Gentlemen want. *[Interruption.]* Thanks for that support from a sedentary position.

The home condition report was supposed to forestall the need for a house buyer to commission a survey or valuation. As designed by the Government, however, it signally failed to provide proper protection for the consumer, and in particular for first-time buyers. In the regulations laid by the Minister, there was no requirement for home information packs to include information on flood risk, natural subsidence, electrical safety, radon gas or land contamination. As designed by the Government, home condition reports were both deficient and dangerous. They would not even have done the job for which they were originally conceived.

Ian Lucas: Will the hon. Gentleman give way?

Michael Gove: I am trying to make a little progress.

The Minister argued that when home condition reports were introduced the need for buyers' surveys would diminish dramatically. She quoted support that she claimed to have received from the Nationwide building society. Just last week, the Nationwide described the Department for Communities and Local Government's use of its figures as "misleading". Indeed, the Minister was clearly labouring under a misapprehension when she believed that home condition reports would dramatically reduce the need for buyers' surveys. Mortgage lenders need to be certain of a property's value before they can extend a loan. They explained to the Minister that a separate physical inspection, on top of the home condition report, would be needed in a wide range of circumstances.

Angela Browning (Tiverton and Honiton) (Con): Will my hon. Friend give way?

Michael Gove: I will not at this stage.

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab): Will the hon. Gentleman give way?

Michael Gove: I am specifically addressing the request from the right hon. Gentleman's hon. Friends that I should discuss the plight of first-time buyers under this Government.

Mr. Raynsford: Will the hon. Gentleman give way?

Michael Gove: No.

Lenders specifically said that an additional survey evaluation would be needed where the mortgage was worth more than 80 per cent. of the value of the house, where the property was distinctive, newly built or a character home, and particularly for flats and conversions. As I am sure hon. Members will not need reminding,

[Michael Gove]

there are few first-time buyers whose mortgage is less than 80 per cent. of the value of the home. In addition, they are likely to be disproportionately represented among those buying new-built homes and flats. Ministers spent a great deal of time, and public money, trumpeting the benefit of home condition reports for first-time buyers, but those buyers, who are already hit by the Government's increases in stamp duty, would have faced paying twice, for the home condition report, which would have been added to the cost of the home, and for a lender's survey on top of it. As the party that has constantly championed wider home ownership and put support for first-time buyers at the heart of our policy process, we can only welcome—along with first-time buyers everywhere—the Government's retreat.

Mr. Raynsford: Will the hon. Gentleman tell the House how many first-time buyers, when entering into what is probably the largest financial transaction of their life, have any detailed information about the condition of the property they are buying? Does not he think that is a defect and that it is time something was done to improve it?

Michael Gove: I will tell the right hon. Gentleman what is defective: home condition reports designed by the Minister for Housing and Planning and conceived in the Department that the right hon. Gentleman once graced. How effective is a report that contains no details about flood risk or land contamination? How effective is a report that lenders will require a separate valuation or survey to back up?

Mr. Betts: Will the hon. Gentleman give way?

Michael Gove: No, I must make a little progress.

Angela Browning: Will my hon. Friend give way?

Michael Gove: I would love to make progress but I will give way to my hon. Friend.

Angela Browning: I am grateful to my hon. Friend.

Of course surveys are needed for valuation, but as anybody who has ever claimed on a chartered surveyor's professional indemnity insurance because of a defect found in a property would know, no home pack could ever give that level of assurance.

Michael Gove: As ever, my hon. Friend makes an excellent point. One of the many defects of the scheme was that, as of yesterday, there was no adequate indemnity insurance scheme for home inspectors, so the Government would have asked home inspectors to conduct inspections even though no private sector supplier was, at this stage, willing to insure them.

Mr. Betts: Will the hon. Gentleman give way?

Michael Gove: I must try to make a little progress—I gave way to the hon. Gentleman earlier.

When the Minister makes her speech, I hope that she will not try to paint her retreat—which we want to celebrate—as a precursor to the reintroduction of the scheme, for there is no prospect of her being able to deliver on her Department's earlier pledges. As several of my hon. Friends have pointed out, there are not enough qualified home inspectors ready; as my hon. Friend the Member for Castle Point said, there are fewer than 250, yet the Government said that they would need at least 7,500 to make the scheme work. The Minister has often told me and others that 4,000 inspectors are in training, but how many of them have merely registered for training? How many have actually ponyed up the £8,000 necessary to complete the course? When she tells us how many have put the money up front, will she tell us what words of condolence or what compensation she will offer to all the people who have sunk their money into a scheme that will not be honoured?

The Government were prepared to spend £3 million on advertising the scheme—£3 million for spin doctors but no compensation for those who have lost their savings as a result of the Government's U-turn. What will those who invested in that flawed scheme think when public money is used to advertise the merits of a flagship that has already been sunk?

More than that, there were real worries about the home condition report database, which was integral to the scheme. As we know, and as we have heard from Members on other occasions, the Government have grave problems in handling IT schemes. Lenders said that they needed 12 months to get systems in place to reconcile them to the HCR database, but even yesterday we still did not have details about the tender or the operating rules for the database. Last week, it was reported that two of the potential bidders to run the scheme had already pulled out. After yesterday's announcement, how many will offer to run it now? Rather than trying to nail the dead parrot to the perch, would not the Minister be better off admitting that the home condition report has shuffled off the mortal coil and gone to join the choir invisible?

Ministers will try to clutch at two straws in their efforts to say that HIPs are still alive: the need for energy efficiency ratings, up front at the point of marketing, and the need for local government searches, also up front at the point of marketing. The Government have tried to make a great deal of the energy efficiency report, but the truth is that it is a fig leaf. It is small and it looks green, but it cannot really cover the Minister's embarrassment. As the Government have themselves admitted, and as I pointed out in response to two questions earlier, we do not need HIPs to implement energy efficiency reports. The Northern Ireland Office said that

> "we do not believe a home information pack is necessary to ensure compliance with the directive".

Indeed, given that HIPs apply only when a home is bought or sold—obviously—how can we ensure that all the homes in the country have their energy efficiency rating fixed if we rely only on transactions for the commissioning of those ratings or reports? It simply does not make sense.

The Government's pretensions to environmental consciousness in respect of house building policy will raise a hollow laugh in many parts of the country. Their code for sustainable homes has been criticised by both the World Wildlife Federation-UK and the Association for the Conservation of Energy. The WWF-UK resigned from the sustainable buildings taskforce, saying that it felt unable to defend the draft code because it did not do enough to promote energy conservation. In the last Parliament, the Environmental Audit Committee, chaired by my hon. Friend the Member for East Surrey (Mr. Ainsworth), drew considerable attention to the environmental defects of the Government's house building programme. Indeed, it was only thanks to my hon. Friend the Member for Bexhill and Battle (Gregory Barker) that the Climate Change and Sustainable Energy Bill has provisions to ensure that microgeneration is one of the factors that planning committees take into consideration when deciding whether to go ahead with new developments.

Dr. Alan Whitehead (Southampton, Test) (Lab): Rubbish—the provision was always in the Bill.

Michael Gove: It was an amendment introduced by my hon. Friend the Member for Bexhill and Battle, which I was delighted to support. It is a commitment to the fact that when it comes to construction the Opposition take their environmental responsibilities seriously.

Ian Lucas: Will the hon. Gentleman give way?

Michael Gove: No thank you.

The final straw that the Minister may be tempted to clutch is the need for local searches, paid for at the point of marketing. But as anyone who has been involved in the home-buying and selling process knows, the key problem with local searches is that they need to be timely; after three months, they instantly date. It is much more sensible to make them at the point of sale rather than at the point of marketing. Indeed, the Government's pretensions to be an agent of quicker searches overall are undermined by their record. They presided over the introduction of the national land information service, which was designed to cut delay, but according to the Council of Mortgage Lenders NLIS is a mess; it is another flawed IT project. Fewer than 25 per cent. of local authorities can accept a request, process the search and deliver it electronically. Some local authorities take weeks to deliver. Nothing has been done to achieve full connectivity and more than half of local authorities say that the key problem is the Government's failure to ensure a fully joined-up system—yet another reason for the Government to get the detail right before pressing ahead with over-ambitious schemes.

I have a specific question for the Minister on searches. At present, local authority searches do not incur VAT, but HIPs were supposed to incur VAT, so will we now have VAT on local authority searches as part of the HIP? Is that another stealth tax that the Minister is trying to rescue from the wreckage of her schemes?

The home information pack was a sickly child; now it is being abandoned even by those who were anxious to bring it into the world. The Consumers Association—once the Government's loyal ally in this regard—said that the Government have come up with a half-baked compromise and shown that their house is made of straw. Today, the *Financial Times* said of yesterday's climbdown:

> "It is hard to imagine a better way of discrediting the process before it even gets off the ground. Policy making on the hoof is rarely a pretty sight and it is pretty clear that this is a poorly thought-out climbdown. Time to go back to the drawing board."

It is indeed time for the Government to go back to the drawing board. They have failed to provide adequate consumer protection in the housing market, failed to manage the crucial detail even though they were warned years ago, and failed to use their time and public money to bring about genuine improvements to the house-buying process. I suspect that it will fall to another Government to bring about the changes that first-time buyers and others need to secure the improvements that the country desperately needs.

2.28 pm

The Minister for Housing and Planning (Yvette Cooper): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

> "believes that reforms to home buying and selling need to be designed around the interests of consumers; further believes that Home Information Packs (HIPs) will cut waste and duplication and speed up transactions for consumers; applauds the proposed inclusion in HIPs of Energy Performance Certificates which will give buyers and sellers vital information about the energy efficiency of homes and practical suggestions about how to cut fuel bills and carbon emissions; welcomes the Government's intention to carry out further testing of HIPs; and notes that the Government is working with industry to encourage the successful voluntary take-up of Home Condition Reports, retaining the option of a mandatory approach to ensure widespread take-up, and thus maximising the benefit for consumers."

As always, we heard an entertaining speech from the hon. Member for Surrey Heath (Michael Gove). It was rather lacking in fact or substance, but entertaining nevertheless.

The hon. Gentleman began his speech with an important issue. He talked about stability in the housing market and in the economy. I think the people of this country will be astonished that the Conservatives are attempting to say that they have concern for housing market reforms because they are concerned about the stability of the economy and the housing market. The Conservatives put interest rates up to 15 per cent. They pushed people out of the housing market and pushed that market into free-fall. The hon. Gentleman talks about helping families on to the housing market ladder, yet his party pushed half a million families off the housing market ladder.

The hon. Gentleman referred to a report that he knows is based on utterly unfounded assumptions—or at least I hope he knows, given his party's concern and its pretensions to try to regain some economic credibility. He also talked in some detail about his concerns about first-time buyers, and other hon. Members raised that issue. First-time buyers, by definition, are not sellers. They do not have to provide home information packs. In fact, they get the packs for free. They will get the information, for which they currently have to pay, for free. That is why home information packs are good news for first-time buyers and why the Labour party is supporting first-time buyers. Conservative Members say that they are concerned to help first-time buyers, yet they oppose home information packs, they oppose the new homes that we desperately need to help first-time buyers, and they oppose the funding of shared ownership schemes to help people get their first step on the housing ladder.

Michael Jabez Foster: Is not the situation even worse? Under the present scheme, do not first-time buyers quite often pay for surveys several times over, following abortive sales?

Yvette Cooper: My hon. Friend is right. If a first-time buyer, or any buyer, wants to buy a house and the sale falls through, another buyer will come along and have to pay for all the same searches all over again. That seems to be an awful lot of duplication and waste. It seems that an awful lot of money is going into the hands of people who are gathering that information, but the consumer should not be spending that money time and again.

We know that Conservative Members have always opposed all aspects of home information packs. One minute they complain that they will cost too much, the next they tell us that sellers should pay more for extra information on flooding or on radon gas in their HIPs. One minute they say that HIPs are too bureaucratic, the next they say that they want someone who lives on top of the Pennines to pay for an extra bit of paper saying whether their property is subject to flood risk. We do not think that that is appropriate. The fact is that consumers can waste a lot of money under the current process. I do not understand why Conservative Members want to keep defending the status quo. Why do they want to keep defending a situation in which consumers waste huge amounts of money every day?

Adam Afriyie (Windsor) (Con): I noticed that there were chuckles from the Labour Benches when the Minister was making some of those statements. If the home information packs are so important and essential, why have her Government now abandoned them?

Yvette Cooper: Let us be clear—we are not abandoning home information packs. The chuckles from the Labour Benches were at Conservative Members pretending to support the interests of first-time buyers and blatantly opposing measures that will help them.

We think that we should not simply defend the status quo in the housing market. There are serious problems in the way in which that market works at the moment. Consumers can end up wasting a lot of money. There is a lack of transparency. They cannot have the information that they need. We think that we need to amend the way in which we introduce the home information packs and we have changed our approach in the light of the work on the dry run and the information on the readiness of the market. Many hon. Members have called on us to do more work on the testing, and we agree. We are doing more work. We will introduce area-based trials later in the year, underpinned by independent monitoring and research, to test the costs and benefits of the home information packs and to look at some of the underlying assumptions. We think that that is appropriate.

Mr. Gordon Prentice (Pendle) (Lab): I just wonder what the implications are for home inspectors. A constituent e-mailed me this morning to say that he had borrowed £7,000 to become a home inspector and he does not know what the future holds.

Yvette Cooper: My hon. Friend is right. We recognise the uncertainty that many home inspectors are expressing. We are keen to tell them that we believe that home information packs will need to be introduced from 1 June next year and that they will need to include energy performance certificates, so there is work to be done to introduce those certificates by that date.

We also want to promote the roll-out of the home condition reports. We think that those are valuable. However, we are concerned that a big bang approach and introducing all aspects of the home condition reports next year would pose too many risks to consumers. Therefore, in the trials that we shall begin later in the year, we shall look in particular at ways to support the roll-out of home condition reports. We shall work with the industry in order to increase take-up and look at both voluntary and mandatory approaches in order to be able to promote the roll-out of home condition reports. We think that the surveys will be very valuable for consumers.

Several hon. Members *rose*—

Yvette Cooper: I will give way in the order in which hon. Members caught my eye.

Justine Greening (Putney) (Con): For those home inspectors and those training to be home inspectors in areas not subject to the pilot tests, will the Government be willing to refund the money that they have spent training to do a job that will never materialise, potentially?

Yvette Cooper: As I have said, we think that we should be rolling out home condition reports. That is the clear aspect of the statement that we made yesterday. We want to start the trials this November. We will need home inspectors in place in order to be able to do the trials from this November for the home condition reports but, clearly, we will want to look at the results of those trials, too.

Mr. David Drew (Stroud) (Lab/Co-op): Will my hon. Friend say something more about what she means by an area based roll-out? Are we talking about regions of the country, which has some sense in terms of the digital roll-out? Labour Back Benchers are keen, for environmental reasons, that home information packs be continued with. The people who are trained are vital, so we must make sure that they are supported and that there is a clear process. Perhaps she can say something about what that process will be.

Yvette Cooper: My hon. Friend makes an important point. Let us be clear. We think that the energy efficiency information needs to be brought in from 1 June next year nationwide, so that energy efficiency information, as part of the energy performance certificates, will be included on a mandatory basis within the HIP from 1 June next year. Obviously, we will need to test the workings of energy performance certificates and their effectiveness, but we also want to test the home condition reports and the top-up for the full survey. Our approach is to begin this summer with some detailed consumer research and analysis of the HIPs that have been produced already—there are HIPs that have been produced already across the country—in order to develop detailed area-based trials, to begin sometime later in the year. We will set out the details of those trials in the light of the further research that is taking place over the summer. We will inform Parliament in due course of further details on that.

Ian Lucas: In the trials, I ask my hon. Friend not to shy away from making the scheme compulsory. There have been numerous attempts to reform the conveyancing system to assist first-time buyers. I have personal experience of those. They have all failed as a result of a lack of compulsion. Sellers and their solicitors have chosen not to supply the information because of the additional cost for sellers, so I urge her to make the scheme compulsory. Consult and get it right, but make it compulsory.

Yvette Cooper: My hon. Friend makes an important point. As I have said, we want to look, as part of the trials, at different ways of supporting the take-up of the full home condition report. That may mean looking at incentives and at all sorts of different approaches, but we want to look at the mandatory approach, too. We are clear that we need the trials to look at a range of approaches to ensure that we can get the roll-out of the home condition reports and to ensure that those are effective. It is important that we learn from the trials and have a pragmatic approach in order to deliver the benefits for consumers and the environment.

Mr. Betts: I welcome what the Minister just said. If we are going to market-test, market-testing mandatory home condition reports in at least some areas of the country will be worth while. I was at a breakfast meeting last week with the hon. Member for Surrey Heath (Michael Gove). At that time, he was also calling for a mandatory trial run on that basis, so we would satisfy him by doing that, too.

Yvette Cooper: Again, my hon. Friend makes an important point. As I have said, we want to consider the precise design of the trials in the light of the research over the summer, so at this stage we cannot confirm exactly how those trials will work. It will depend on the consumer research and the further analysis that we undertake.

Mr. Raynsford: May I press my hon. Friend a little further on that matter? She will know from the research that has been done that the vast majority of dry run packs that have been issued to date have not included the home condition report. How will the evidence from that research help her to conclude which areas would be appropriate for the mandatory tests, to which she responded positively—which was welcome—in replying to the intervention by my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts)?

Yvette Cooper: It is important to make clear what we are considering. We want to look at mandatory, voluntary and other approaches to roll-out, but we cannot make a commitment to conduct a mandatory trial as there are problems with the practicalities of such a trial, and we must undertake further work over the summer. We are looking at existing HIPs—my right hon. Friend is right that many of them have been produced without surveys—and at consumer attitudes and evidence from other countries. He will know that Denmark, for example, has introduced home condition reports in an extremely popular scheme that is similar to HIPs. We want, too, to look at the experience in Australia and other countries. We must therefore undertake detailed and informed work so that we can promote the home condition reports.

Once HIPs are in place, they can be topped up to become full HIPs with a home condition report. Most people do not have a HIP, so their position will be very different if searches are conducted and an energy performance certificate is issued. We want to work with the industry to look at the alternative options in a market-led approach to roll-out. As the amendment makes clear, the Secretary of State believes that the mandatory approach remains on the table.

Rob Marris (Wolverhampton, South-West) (Lab): I am grateful to the Government for proceeding more slowly with home information packs. I welcome my hon. Friend's measured tone and approach to the issue, in contrast to the pyrotechnics of the hon. Member for Surrey Heath (Michael Gove)—his speech was all sizzle and no steak—and I urge her not to fall for his strictures on local authority searches. I remember conveyancing when the Opposition were in office. Local authority searches could take up to 46 weeks, but the Conservative Government did nothing about it.

Yvette Cooper: My hon. Friend is right. If we provide information at the beginning of the process, rather than at the end, we will cut the time that it takes to buy and sell homes. That takes far too long at present, and it is not a sensible way to run a major market in which people invest huge amounts of money in their most important possession.

Bob Spink: It is claimed that the national land information service is dysfunctional, which would prevent the benefits of HIPs from being realised if the scheme proceeds. How does the Minister intend to make sure that electronic local authority searches work better? Will she, for instance, consider compulsion?

Yvette Cooper: The hon. Gentleman is right that it is important that NLIS works effectively. He will be aware that reforms to e-conveyancing have the potential to introduce a substantial measure of transparency. If there are long delays, people do not know whether it is their solicitor or estate agent or the other party's solicitor or estate agent who is at fault, or whether there is a problem elsewhere in the chain. Most people who are buying or selling a home do not know whether the delay in the system is legitimate because they cannot work out where it is. They do not know whether someone is ripping them off, because they do not know exactly what is going on. Together, e-conveyancing and HIPs have a huge potential to introduce transparency in the system.

Mr. Clifton-Brown *rose*—

Yvette Cooper: I should like to make a little progress, as I have given way to many hon. Members.

It is important to acknowledge the importance of the energy performance certificates, but Opposition Members' response was disappointing. They had an opportunity to back them and welcomed the changes that we have made to the programme. They could acknowledge that HIPs and energy performance certificates will have a big impact, as 27 per cent. of carbon emissions in this country come from domestic homes. The certificates will allow us to give people reliable information so that they can cut those emissions as well as fuel bills. However,

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there is not a word about the certificates in the motion tabled by the hon. Member for Surrey Heath. There was hardly a word about them in his speech, although he did mention them under questioning by Government Members. Opposition Members have a chance to support the introduction of energy performance certificates 18 months earlier than the European deadlines, because it is important to give people information on ways in which they can cut fuel bills and carbon emissions.

Green gimmicks are all that the Tories can offer. They fly to the Arctic and they sledge with the huskies, but they will not tell a first-time buyer how to cut her fuel bills. They ride bikes across London, but only if the chauffeur is following with the shoes. They say that it is okay for the wealthy to buy wind turbines, but they will not tell everyone else how important it is to lag the loft. That is the reality of the Opposition's policy on the environment. They are not prepared to introduce energy performance certificates early, even though the measure is backed by WWF and Friends of the Earth. There is silence from the Opposition. All that they say is that work in Northern Ireland suggests that we could proceed without home information packs. They may wish to know that Northern Ireland cannot introduce energy performance certificates on 1 June next year, 18 months earlier than the European deadline. It will introduce them, but it still has an awful lot of work to do, as there must be consultation and regulations must be introduced. We are right to introduce the certificates early with HIPs to give people proper information about ways in which they can cut emissions from their homes.

Justine Greening: A couple of weeks ago, the Government acquiesced in the introduction of an EU directive to postpone mandatory nitrogen oxide emissions targets for another five years. That is not the approach one would expect of an environmentally friendly Government, so rather than criticising the Opposition the hon. Lady should look at what her own party is doing.

Yvette Cooper: Given that the Tories opposed the climate change levy and are desperate to get out of any European policy, they do not have a huge amount of credibility on the issue.

The Opposition parties have always opposed the reform of home buying and selling. They have resisted every aspect of HIPs and energy performance certificates from the beginning, and they object to estate agents having to change the way in which they operate. They have defended the status quo and the vested interests of people who make money from the system, rather than defending the consumer. It is right to conduct detailed debates about the way in which we can make the changes effective, and we must ensure that we learn from the trials and from experience. However, we must ensure, too, that we reform home buying and selling and the wider housing market to achieve stability, which benefits the economy, as hon. Members said at the outset of our debate. We must build more homes, but Opposition Members have repeatedly rejected that proposal. If they cared about stability in the housing market, they would back our proposals to build 200,000 new homes, but they have failed to do so.

Mrs. Jacqui Lait (Beckenham) (Con): They must be in the right place.

Yvette Cooper: Where is the right place? Opposition Members can never think of the right place to build homes—they oppose them wherever they are. The oppose them on greenfield and on brownfield sites; they oppose them in the country and in the town. They do not want them here or there; they do not want them anywhere. It is a Dr. Seuss or "Green Eggs and Ham" approach to housing policy. The reality is that Opposition Members do not care about housing market stability, or benefits for the consumer or first-time buyers and home owners. The Government have introduced benefits for the housing market, for the consumer and for the home buyer. We will continue to do so, and we will back the interests of the next generation—not the vested interests that have dominated the Opposition for far too long.

ROYAL ASSENT

Mr. Deputy Speaker (Sir Alan Haselhurst): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Appropriation (No. 2) Act 2006

Finance Act 2006

Commons Act 2006

Housing Corporation (Delegation) etc Act 2006

Health Act 2006

Home Information Packs

Question again proposed, That the amendment be made.

2.50 pm

Andrew Stunell (Hazel Grove) (LD): I congratulate the Minister on making such good use of the extra week that she has had to consider the Government's position, as a result of my hon. Friends forcing an Adjournment of the House following the Government's craven and inept use of the extradition rules. It cannot have been easy, but eventually, by 5 pm yesterday, reality had broken in on the Government. As a Liberal Democrat, I was pleased to see that reality came in the form of the Minister's statement, the terms of which were very similar to the amendment that we tabled for today's debate but which, unfortunately, Mr. Speaker has not selected for consideration.

The Minister set out the key considerations in much the same terms as those in which we see the problems of the home information packs project, as it was. First, there has been a significant delay in issuing the vital regulations determining how the scheme would run. One of my questions to the Minister is whether tomorrow's statutory instrument Committee is still intended to go ahead and consider some of those rules, or whether the rules now have to be withdrawn and reconsidered. Secondly, there has been serious delay in implementing any pilot schemes. Thirdly, there are insufficient inspectors to carry out a mandatory scheme on the time scale that the Minister originally set out.

In the amendment that we tabled both last week and today, we pointed out that there needs to be a realistic assessment of when and how a compulsory scheme should be introduced. We also made the point that we do not need a gold-plated home information pack scheme. We were therefore pleased that the scheme outlined by the Minister in her statement is confined to fulfilling the important EU directive, and does not include gold-plated extras. Her statement yesterday was three times longer than our amendment, but it made the same points.

A useful concept has been wrecked by difficulties of the Government's own making, and it would be unwise and unsafe to plough on. The Minister may initially have been seduced by an attractive argument, and one which appeals to me on many occasions—that anything opposed both by estate agents and by the Conservative party must be good. Well, 99 times out of 100, that is correct, but the Minister has belatedly understood that this was the 100th occasion.

We are grateful for the decision that the hon. Lady has taken and we look forward with great interest to what will happen next. The Liberal Democrats welcome the energy efficiency certificate and the fact that it will be introduced next year. However, she should not take too much credit for bringing it in 18 months early. That is not the case. In 1998, my former hon. Friend who was then the Member for Torridge and West Devon introduced a Bill that would have brought about exactly what is to happen in 2007. I was a sponsor of his Energy Efficiency Bill and served on the Committee that considered it. The Bill was opposed by the Government and eventually fell in July 1998.

If the Government want to take the credit for introducing home energy certificates 18 months early, they should also take the blame for bringing them in nine years late—nine years in which an extra 1.5 million homes have been built and about 11 million homes have been sold, none of which have had home energy efficiency checks, because back in 1998 the Government opposed their introduction. There have been no certificates, no transparency and no market pressure for energy efficiency for nine unnecessarily prolonged years.

Rob Marris: Is the hon. Gentleman telling the House that there are no energy efficiency requirements and no energy efficiency information with respect to the 1.5 million new homes? I find that extremely difficult to believe.

Andrew Stunell: The hon. Gentleman seems to suggest that the energy efficiency information has been available for the past nine years. If so, why is he trying to take credit for such a requirement being introduced in June next year? He cannot have it both ways. Much as I welcome the home energy certificate element of the Government's proposals, I do not believe that it is right or appropriate for them to try to take credit for being ahead of the crowd, when they are in fact years behind what my former hon. Friend proposed.

In the present fiasco, we must not lose the core points about reducing the carbon emissions from our homes, increasing the transparency of transactions when buying and selling takes place, and reducing the stress factor. There is no doubt that buying or selling a home is a deeply stressful experience.

I was interested to read both the amendment tabled by the Government last week and the one that they tabled this week. They are almost identical, but they differ in one interesting respect. Last week, the final sentence said:

> "the Government is working with industry on the development of ... tests and ... it has already announced that it will set out further details before the Parliamentary Recess."

This week, the Government amendment ends with the statement that

> "the Government is working with industry to encourage the successful voluntary take-up of Home Condition Reports, retaining the option of a mandatory approach to ensure widespread take-up, and thus maximising the benefit for consumers."

The industry out there is baffled by the Government's approach and by the changes that they have made. The public are bemused and the Minister, despite her eloquence, sounds somewhat bewildered about what to do next. Will the hon. Lady please make sure that whatever comes out of the changes, we do not lose sight of the need for improved energy conservation, improved transparency and a reduction in stress?

Between 1 million and 1.5 million houses are sold each year. The best moment to make changes to those homes to reduce their carbon impact is when they are empty, when they are being bought and sold, and when, for the most part, householders are in the best frame of mind and have greatest access to finances to make those changes. We must therefore ensure that energy certificates are used as a market tool, so that if energy efficiency is bad, that is reflected in the price, and to give a prompt that instead of a new kitchen,

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some extra insulation in the loft might be better value for money. Without home energy efficiency certificates, there will still be substantial problems with compliance.

On transparency, I am sure the hon. Member for Surrey Heath (Michael Gove) would be the first to say that markets work best when they are informed markets. Home sellers should not concentrate on baking bread in the kitchen on the day that the buyer comes round so that the house smells right—*[Interruption.]* They should make sure that the house is properly insulated and has the right equipment to maintain energy efficiency. *[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman—*[Interruption.]* Order. I do not want a running commentary from a sedentary position. It is interrupting the debate.

Andrew Stunell: Thank you, Mr. Deputy Speaker—but I would be happy to take a further intervention from the hon. Member for Wolverhampton, South-West (Rob Marris).

If we had a more transparent market in which people knew what they were buying and understood what they were selling, stress would be reduced. A survey was conducted at the beginning of this year on the most stressful events in people's lives: divorce accounted for 17 per cent.; bereavement accounted for 28 per cent.; and buying, selling and moving house, which are stressful experiences, accounted for 44 per cent. We need to make sure that we take steps to deal with that issue.

So far as the Government's announcement goes, we know that they have listened to their critics, but they are obliged to say what will happen next, and I do not believe that they have fulfilled that obligation today.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): Does the hon. Gentleman agree that one problem faced by Ministers is that they have not conducted any full-blown tests? We have been given promise after promise about test after test. The latest idea is a test in Cambridge with university students. Can the hon. Gentleman think of a worse group of people on whom to conduct a test?

Andrew Stunell: That is a challenge—but I will not attempt to name a worse group of people. However, I will talk about pilots, because some significant points need to be sorted out. On a practical level, a Statutory Instrument Committee is considering regulations on HIPs tomorrow, so will those regulations be changed? When will the rest of the information needed to make the pilots effective be introduced? And what is the plan for the pilots?

A central question, which the Minister did not address in a straightforward way, is whether the pilots will be free. A home condition survey provided free is a very different animal from one for which people must volunteer to pay. One of the significant points of criticism is that HIPs might depress the volume of sales, and that will depend on whether people have to pay for the service.

Mr. Charles Walker (Broxbourne) (Con): If the home owner does not pay, who will fund those surveys?

Andrew Stunell: The hon. Member for Surrey Heath has suggested that some of the £3 million of promotional money should be used. I am not arguing that the surveys should be free. I am simply saying that previous discussion suggests that the Government thought that they were testing the mechanics, such as whether the envelopes could be opened quickly enough, when they needed to measure the impact on the market of a completely new vehicle for house buying and selling. The pilots need to be conducted on the right financial basis, and the Government should tell us where the pilots will conducted, how representative they will be and the scale on which they will be conducted.

How long the pilots will run is not as critical as it used to be. When the Minister made her announcement last night, it must have been in her mind that she could not use a pilot scheme that ran for a month or two in the winter, when sales are depressed, to gauge whether the scheme is functional. She has referred to market research that will be conducted this summer before the pilots start, and I welcome any moves to make the pilots as realistic as possible. We also need to know what will be used to judge success or failure in the pilot schemes.

As has already been asked, what will be the fate of those who started out on HIP training programmes? This afternoon, I heard that Reading university is currently running a course attended by 480 students, who have paid £8,500 each to be on it. When the Office of the Deputy Prime Minister was changed into the Department for Communities and Local Government a few weeks ago, the students on the course asked for, and were given, a specific assurance that the change in the structure of the Departments would not affect the implementation of the HIPs, and the students continued on the course on that basis. The Government have an obligation to say what they intend to do about that matter and how they see the job prospects for those students either under a voluntary scheme, which might one day be a mandatory scheme, or during the pilot exercises. What future do they intend them to have?

Mr. Walker: Surely this is the lesson to be learned by Reading university and others: for God's sake, do not start running training courses until a Bill has been enacted or an idea has become law.

Andrew Stunell: I do not know whether Reading university should take the rap. There has been a serious attempt to recruit people to meet a Government deadline, which has now been changed, and the question is whether the whole scheme has been changed or abandoned. What are the prospects for those students? It may be that so few people have participated in training programmes that the work available from the voluntary scheme will be sufficient. We need to hear from the Government exactly what will happen.

Mr. Liddell-Grainger: The hon. Gentleman is making a valid point. People did not undertake the training because they were not sure whether the Government were committed to HIPs, which has proved to be the case. He is right: the Government have let down those students, so surely they should pay.

Andrew Stunell: I have raised a number of specific questions, and I believe that the Government have an obligation to respond to them. If the Government say that they will not pay, we need to know their reasoning. They might believe that there will be a sufficient job market for those people, but if that is the case, let us hear about it. At the moment, the people who were naive enough or enthusiastic enough to take the Government at face value find themselves in the front line without a bayonet, while Ministers are safe in the rear pointing at maps and waving their arms.

Mrs. Curtis-Thomas: For the sake of clarification, may I ask whether the hon. Gentleman is saying that his party supports the home condition report?

Andrew Stunell: Our amendment makes it clear what we do and do not support. When the legislation was being considered, we made it clear in this Chamber and in Committee what should have happened. My point is that much as I would like the situation to be different, it is not, and the Government must determine how they will sweep up the broken glass that they have left behind.

I want briefly to comment on what the hon. Member for Surrey Heath had to say. He was as eloquent as ever, and he spoke forcefully in favour of one specific Conservative policy, which is outright opposition to HIPs—that is one of the rare issues on which the Conservatives currently have a policy. However, I felt that his point about housing stability was wildly inaccurate. When I last bought and sold a house, it was in the middle of the housing slump induced by his Government and his Chancellor. If he represents himself as speaking on behalf of a party that has a record of achieving housing stability, it significantly devalues his eloquent contribution to the debate.

Mr. Clifton-Brown: Will the hon. Gentleman give way?

Andrew Stunell: Why not?

Mr. Clifton-Brown: I am grateful to the hon. Gentleman; perhaps this will give the House a chance to have a breather.

I have looked at the hon. Gentleman's amendment carefully. Given that it refers to

"the nature and date of introduction of the compulsory scheme",

it is clear that the Liberal Democrats support the compulsory introduction of a home condition report scheme. It goes on:

"and further calls on the Government to limit the scope of the scheme to that required by the EU Directive, rather than the current 'gold-plated' alternative."

Can he outline exactly what the Liberal Democrats mean by that?

Mr. Deputy Speaker: Order. With no disrespect to either hon. Gentleman, that amendment was not selected, so it would not be in order to go into detail about it.

Andrew Stunell: I am sure that if the hon. Gentleman refers to the *Hansard* record of proceedings in Committee and in this House, he will see that we opposed the introduction of the compulsory scheme.

I want to comment briefly on the use by the hon. Member for Surrey Heath of the Oxford study of the impact of HIPs, which has been hopelessly oversold. He and I attended a meeting where some of these points were discussed. The downside predicted by that study depends on an assumption about a reduction in transactions. I noted from the information given at the same time by the authors of the study that the reduction, or rather fluctuation, in the number of transactions owed far more to issues such as interest rates and the price differential between different parts of the country than it did to a one-off cost. In criticising the Government's proposals, it is important that we do not shoot at non-existent targets.

Now that the frenetic rush towards June 2007 has ended, we need to take a long, hard look at the best and quickest way of smoothing the process of home sale and purchase, saving on costs for buyers and sellers alike, breaking the potent monopolies of agents and lawyers, and providing a strong incentive for energy efficiency and an improvement in the performance of our building stock. We need to bring a welcome and necessary transparency to the process of buying and selling a house, which is too opaque for most buyers and many sellers.

Home information packs have had a bumpy and fractious ride. Liberal Democrat Members ask the Government and the industry to step back and take a deep breath, to engage with the Opposition Members who one day soon will inherit their legacy, and to develop a viable durable scheme that is truly fit for purpose.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. Many more hon. Members are seeking to catch my eye than those of whom we have had previous notification. There is no time limit, but I would appreciate it if hon. Members would bear in mind that there is quite a demand to speak in this debate.

3.12 pm

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab): Let me start by drawing attention to my registered interests as chairman of the Construction Industry Council, chairman of the NHBC Foundation, and a director of Hometrack.

I suspect that today's debate will not be seen as one of the finer moments in the history of housing policy or, indeed, of our democratic processes. A long overdue reform that held out the prospect of radically transforming and simplifying the home buying and selling process, cutting out waste and abortive costs and reducing the scope for failed transactions, disappointment and heartache has been seriously put at risk as a result of cynical, short-sighted opportunism from the Conservative party and a deeply regrettable loss of nerve on the part of Her Majesty's Government.

Let us go back to first principles. It is no coincidence that the home buying and selling process in England is widely recognised as one of the most stressful activities that individuals and families experience in the course of

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their lives. At the heart of it lies the curious presumption that prospective buyers should make an offer without the benefit of essential information about the property that they are proposing to acquire. That is of course completely at odds with the normal principles of consumer protection.

In theory, the problem is reduced by the fact that the offer remains conditional until the buyer has had the opportunity to carry out the necessary checks to satisfy himself that what he is proposing to buy is worth the amount he has offered. However, that is precisely where so many of the problems that bedevil the system arise. The surveys and searches undertaken for the buyer may well reveal hidden problems or potential risks that may in turn either halt the process or prompt renegotiation of the price, which in itself inevitably means further delay and risk. While all that is going on, the seller may well have second thoughts and either withdraw the property from the market or accept an offer from another source—the infamous practice of gazumping. When that happens, all the costs that the prospective buyer has incurred in surveyors and lawyers' fees will prove abortive. About £1 million is lost every day in that way, which is just senseless waste.

It is not surprising that many prospective buyers choose not to incur that expenditure but seek to minimise their outlay by not commissioning a survey and relying instead on their lender's valuation. In consequence, they may well end up with far less basic information about the home they are buying than about even the most ephemeral consumer product. Yet it is often the largest financial transaction in their lives, and bearing in mind the fact that they will have to live with the consequences for very many years, it is clearly an unsatisfactory process.

That is where the concept of home information packs comes in. They would ensure that all prospective buyers have access at the outset to detailed information about the property, its condition, any restrictive covenants that apply to it, and potential planning implications that may affect its value or amenity. In that way, the buyer is better equipped to make an informed decision on whether to make an offer, and if so, how much to offer. Furthermore, the scope for subsequent delay, complications and abortive costs is greatly reduced.

The introduction of home information packs would not only result in a simpler, quicker, fairer and more transparent process, but encourage a more efficient market in which some of the current unjustified costs would not survive. For example, lenders continue to require prospective buyers to meet very substantial costs for the valuation of the property—£350 or more is typical. Yet we know that automated valuation models provide an alternative for a fraction of the cost and are increasingly demonstrating a high degree of accuracy. The introduction of HIPs and a more transparent and competitive market would rapidly accelerate the process of change to AVMs with substantial cost benefits to the public.

The special pleading by the Council for Mortgage Lenders on this subject is one of the more regrettable examples of a defence of vested interests instead of the promotion of the public interest. I am sorry that the Opposition and the Government appear to have given more heed than deserved to its representations.

There is a very strong case for the introduction of HIPs. Today's debate should have been about how we can achieve that in the most effective way and with the least possible delay. Instead, we have an Opposition gloating in their ability to frustrate and derail something that is clearly in the public interest, and a Government who are backtracking from one of their manifesto commitments. What could possibly justify that? What are the arguments against HIPs, apart from the vested interests of certain groups, including some estate agents and mortgage lenders who do very nicely out of the current arrangements and do not want changes that will threaten them? There are four arguments against HIPs that should be addressed, although I do not believe that any one of them survives serious scrutiny.

First, there is the issue of cost, about which there has been a great deal of speculation and little serious analysis in the media. The figure of £1,000 has been widely bandied about, with the assumptions that packs will cost that amount to produce and that that will be an added financial burden on home sellers. Neither of those assumptions bears serious examination. Even if the cost to HIP producers were to be £1,000 per pack—most serious commentators believe that it will be significantly less—that is not what the seller would be asked to pay when they put their home on the market. There would be stiff competition to secure the HIP business and the potential commercial benefits that would flow from it, and that would drive down the charges made to individuals commissioning HIPs. A cost of about £350 is much more likely to have been the outcome, with some providers already holding out the prospect of offering the packs for free.

Furthermore, the largest potential producers have already made it clear that they would not charge sellers up front for the packs but would only set the charge against the proceeds of the sale when completed. At the same time, we should not forget that most sellers are also buyers, and any costs that they incur from the HIP would be offset by the benefit they get from the provision of the pack on the properties they are considering purchasing, as well as the removal of the risk of abortive costs for surveys and searches. Then there is the benefit for first-time buyers, which my hon. Friend the Minister for Housing and Planning identified.

The second possible objection to HIPs is their scope. There are obvious balances to be struck. If the home condition report is too comprehensive, there will be cost implications, but if its coverage is limited, its value is reduced if not undermined altogether. The proposals that have formed the basis of the scheme up to now appear to be basically right. They mean to provide the information that could be expected from a mid-range survey, while recognising that, in some special cases, additional information might be required. Whether that is the correct balance could have been further assessed in the course of testing the scheme. Some fine tuning would have been possible in the run-up to introduction and as the scheme proceeded. However, it is clear that neither the position adopted by the Opposition nor that of the Government is credible.

There are few better illustrations of the Opposition's opportunism than their repeated complaints about the alleged excessive cost of HIPs, swiftly followed by suggestions that, without additional information, the home condition report will be worthless. My hon. Friend the Minister rightly made that point.

The Government's announcement yesterday that the home condition report will not be a mandatory part of the home information pack is equally misguided. Although energy efficiency reports are welcome, they constitute only one relatively small element in the total equation. Few people, if any, will base their decision of whether to buy a property primarily on its energy rating. Yesterday's announcement is therefore, as the *Financial Times* rightly observes, almost the worst possible outcome: retaining a significant cost attributable to the need for a visit to survey the property for its energy rating, without getting the benefit of the full home condition report and the economy of scale implicit in conducting both surveys at the same time.

Mr. Michael Wills (North Swindon) (Lab): I am interested in my right hon. Friend's argument about the energy rating. Does not he perceive its value in changing the culture and the way in which people approach their energy emissions?

Mr. Raynsford: I fully agree that the energy rating is a significant element, but it is only a part of the picture, and the vast majority of people who consider buying a property want to consider several other factors, including structural stability, the location and the property's characteristics, as well as energy efficiency. There should be a comprehensive report. That is much more cost effective than having two separate surveys. I fear that that is one of the wasted opportunities of the decision not to proceed with the mandatory home condition report.

That leads me to the third objection: that HIPs have not been sufficiently trialled and tested, that there are not enough trained home inspectors, that preparations for June 2007 are behind schedule, and that there is consequently a risk of serious problems and turbulence in the market around the introduction date.

Mrs. Curtis-Thomas: Does my right hon. Friend agree—

Mr. Deputy Speaker: Order. Will the hon. Lady please address the Chair, not her right hon. Friend, even though she wishes to question him?

Mrs. Curtis-Thomas: Of course, Mr. Deputy Speaker.

Does my right hon. Friend agree that a benefit of the energy performance certificate is that it will force domestic householders to consider how they expend energy, thus saving money? Would not the home condition report also accrue a benefit from that in that homeowners would be forced to consider other elements and other expenditure in their homes and try to gain equal cost advantage from improving those, too?

Mr. Raynsford: My hon. Friend is experienced in those matters. Indeed, I believe that she is currently training in the process of undertaking home condition reports—*[Interruption.]* She makes the valid point that the reports are about providing additional information to the public to enable them to make more informed judgments, and the abusive noises from the Opposition Benches imply disrespect towards those who are seriously trying to help the public to be better informed about the most important financial decision that most people will make in their lives.

There is ground for concern about the speed of implementation and the adequacy of the number of home inspectors, but the Government's decision to pull the plug on the mandatory home condition reports is precipitate and wrong. The training of inspectors, although slow to start, has been gathering pace this summer. Indeed, there will be many upset and angry individuals who have invested much time and money in preparation and training for the introduction of the reports. They will feel badly let down. All the evidence that I have gleaned from those with genuine experience of the market shows that the June 2007 date was achievable and that, even if some difficulties had occurred around the start of the new arrangements, they would have been overcome in a relatively short time.

Let me say a brief word about the likely impact on the market. There has probably been more ill-informed speculation, scaremongering and nonsense aired in recent months about that than about any other aspect of the scheme. The suggestion, which has been put about, that HIPs will lead to a massive slump in the market and that 90,000 estate agents will consequently be out of work—incidentally, that was seen as a downside—are, frankly, not worth the newspaper on which they are written.

Of course, there may be some short-term reductions in the number of properties put on the market because, as everyone knows, under current arrangements some homeowners put their properties up for sale to get a feel for their value, with no serious intention of proceeding to sell. However, by definition, the vast majority of those speculative sales would never have proceeded. So the idea that their withdrawal from estate agents' windows will lead to a collapse of the volume of sales is unconvincing. The report to which the hon. Member for Surrey Heath (Michael Gove) repeatedly referred is a perfect example of that. If one puts rubbish in as one's assumption, one is likely to get rubbish out as one's conclusion.

The factors that determine the overall volume of sales and, indeed, trends in house prices are far more fundamental and reflect wider economic trends. While the Government continue to manage our economy as skilfully as they have done in the past nine years, we should have no reason to fear a serious downturn in the market. On the contrary, the creation of a fairer, better, quicker and more transparent system of buying and selling homes should improve the prospects for a thriving housing market in the years ahead—one in which the interest of the public comes first and the professionals involved are genuinely competing for business in a way that delivers best value for money for the citizens.

I greatly regret yesterday's announcement that home condition reports will not be a mandatory component of home information packs when they are introduced next June. The suggestion that they can be introduced on a voluntary basis is wishful thinking. The irony behind all that is that, after years of dragging their feet, many of the vested interests who have done well

[Mr. Raynsford]

financially out of the current arrangements have come round to accepting that a fundamental reform was inevitable. The more progressive elements in the industry were already gearing up to take advantage of a more open and transparent market in a way that would have brought genuine benefits to the public. It is hardly surprising that consumer voices are the most disappointed today and that the backwoods estate agents and the Opposition are crowing.

I am sorry that the Government, whom I support and as part of whom I served for many years, have made such a grievous error of judgment, which will make it much harder to achieve the fundamental reform to the home buying and selling process in England that is so overdue. I hope that my hon. Friend the Minister for Local Government and my hon. Friend the Minister for Housing and Planning will realise before too long that they have made a mistake, which must be reversed, and that they must introduce HIPs, with the full mandatory home condition report, in the lifetime of the Parliament.

3.27 pm

Mr. Ian Liddell-Grainger (Bridgwater) (Con): Follow that if one can! I am amazed that we are holding such a debate. Future generations of home sellers and buyers will celebrate the change that has happened, and the Government should designate 18 July a public holiday. Perhaps it could be named Prescott day in memory of a politician who made it possible by cocking it all up. The architect of the scheme is a disaster and the idea was insane. Only the Deputy Prime Minister could have devised it, making even Donald Rumsfeld appear sensible.

I cannot wait to see the back of the dreadful home information packs. It is an appalling scheme. Whatever the Minister claims, hopes and has powers to achieve, I am sorry but the Government are wrong. I agree with the right hon. Member for Greenwich and Woolwich (Mr. Raynsford) that the matter should be examined, but not in the current manner. Change must happen, but let us think it through. There has been too much emotion cast here, there and everywhere, and that should not continue.

The home condition report will also bite the dust. Why is the idea crumbling? Because, again, it was not thought through. However, according to the Minister, HIPs remain top of the pops for the general public. That is not the case—HIPs have gone down like a lead balloon with the general public. If one talks to estate agents, mortgage providers and the Law Society, they will say that the general public do not want HIPs.

Mr. Betts: No vested interest there, then.

Mr. Liddell-Grainger: Yes, there is a vested interest. Those people talk to the public. I wish that the hon. Gentleman would do the same.

The Consumers Association, which unfortunately orchestrated the scheme, asked only 1,000 people what they considered to be the way forward for home improvement. That was two or three years ago. How can one base legislation on a consumer report of three years ago, with a sample of only 1,000 people? One cannot. *Which?* is a tremendous publication. It does a good job, but it is produced by a broad-brush organisation, not a forensic organisation.

Of course, the organisations that I have mentioned have a vested interest, and they know what they are talking about. That is what Labour Members cannot accept. A mortgage lender lends money; an estate agent is trained to do that job; and the members of the Law Society are pretty good at the job that they do. I am sorry that the hon. Member for Wolverhampton, South-West (Rob Marris) is not in his place at the moment.

Mr. David Evennett (Bexleyheath and Crayford) (Con): My hon. Friend is making a powerful case. I would like to emphasise that my constituents are also raising these concerns. The general public are worried about the value of these packs and about the increased costs involved. They are also worried about what the packs will be worth if they are not mandatory. My hon. Friend's powerful case is backed up not only by the professionals, but by a number of my constituents who have contacted me.

Mr. Liddell-Grainger: I quite agree with my hon. Friend. Is it not the general public—our constituents across the country—whom we are here to protect, rather than vested interest groups? The Minister is relying on a Consumers Association report based on a survey of 1,000 people. Come on!

My hon. Friend the Member for Surrey Heath (Michael Gove) is aware that we have been running a HIPs survey in my constituency, as he has been extremely helpful in putting it together. Minehead is a town of 10,000 people on Exmoor, with no large towns around it. I went to see Mr. Nick Lacey of Langdon's estate agents and asked him to get every estate agent in the town to help with the survey. Every one of them is doing so, including the ones who have signed up to provide HIPs. Over the past month, they have been asking every buyer, seller and renter to fill in a questionnaire, and the responses have been revealing. They show what the public—the people whom we represent—think. I will present the findings to the Minister, even though they will be slightly out of date. Why did we choose an area such as Minehead? Because it is self-contained and populated by predominantly older people with money and common sense. Funnily enough, they are the general public. That might come as a surprise to some people.

The customers were very keen to fill in the questionnaires, which have revealed that they do not understand what they would be getting themselves into. That is the message that is coming back through the estate agents. They are not sure what the packs will entail. They do not know the costs involved or the ramifications of the process. What is an energy report? It is a thing on the fridge that says "A" or "B" or "C". That is what people think. They do not understand the proposals. Are we going to paint "A", "B" or "C" on the side of people's houses? That would be good in areas of outstanding natural beauty such as Exmoor. Oh, sorry—that is the public; we do not talk about them.

Opposition to HIPs is running at an all-time high, with three to one against them. People in the very group that will allegedly benefit from the scheme were asked whether they thought that HIPs would stop gazumping, and 85 per cent. said no, they would not. Of course they would not. They might help a bit, but they are not going to stop it. We are going to have to do more than that. An even higher proportion of the interim results show that buyers will not trust HIPs because the seller has to pay the bill. Nobody trusts a report that has been paid for by the other side—they want to find out for themselves. They would be silly not to. However, I suspect that when I present my survey results to the Minister, they will be ignored because they are from the general public.

Mrs. Curtis-Thomas: The individuals who will be charged with undertaking the inspections will not just have been swept up off the road. They will have had to undertake significant training. Many of them will already be chartered surveyors. When they carry out an energy assessment, they will be competent to do so. They will also be bound by professional standards, which will mean that they are impartial and will provide only technical advice. Does the hon. Gentleman think that he is misleading people when he suggests otherwise? Are not the vast majority of people in this country genuinely interested in their energy consumption? Would not they want to find out about that from a qualified individual?

Mr. Liddell-Grainger: Qualified? Reading university? I am told that Rightmove is now training people for free. The Government are so worried that there will not be enough providers that they are now giving cut-price courses. I know who I would depend on. It would be an estate agent, a lawyer or a mortgage lender who will go out and get the relevant information. This is not about telling people, "You can have an 'A' rating on your fridge."

Mrs. Curtis-Thomas: Will the hon. Gentleman give way?

Mr. Liddell-Grainger: No, I will not give way again.

This is wrong. People are not going to get a clear understanding of what the energy efficiency of their house is. How long will the scheme last anyway? Until the next lot of European directives comes through and we have to change the process again. Another 300 quid.

The Minister has not mentioned housing associations and I am not sure whether that issue has disappeared. My local housing association in Sedgemoor, SHAL Housing, asked me whether, under the new scheme, it would have to carry out a brand new energy rating every time a property was let. I could not answer that question, but perhaps the Minister will be able to. If that is the case, will the Minister look into the situation as a matter of urgency? I am sure that no one would want housing associations to have to fork out money every time a property was let. I would have thought that that assumption was probably wrong.

The Danish scheme has resulted in a 25 per cent. decrease in the market. If HIPs did not work in Denmark, they will not work here. I am delighted that the Bill has been scrapped and that the Government have seen sense. I am just sorry that £3 million was spent before that happened.

3.36 pm

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Some years ago, the Government introduced the draft Housing Bill, which contained the initial proposals for HIPs. I was a member of the then Select Committee on the Office of the Deputy Prime Minister, which considered the proposals. I was also a member of the Standing Committee on the Housing Bill. Other hon. Members who are here today were also part of that process.

I began by making the basic presumption that the present house buying and selling processes in this country were not really adequate or fit for purpose. To begin with, however, I was not convinced that HIPs necessarily represented the right way forward. I therefore asked members of the Select Committee to take part in the discussions on the Housing Bill and to question Ministers and Members on the Opposition Front Bench. Eventually, I came to round to the view that HIPs were an appropriate way forward, although I did have some reservations and wanted to see certain elements of them changed.

There were certain givens involved in the house buying and selling processes that we needed to see incorporated into any system designed to deliver an appropriate process for our constituents. When individuals buy or sell a property, they are embarking on what is, for most of them, the most important financial transaction of their lives. Buyers and sellers are therefore entitled to receive and provide appropriate and adequate information about the property. That is a very simple point.

At the moment, people embark on that process with nothing more than an estate agent's guide—and we all know what that can mean in practice in many cases. The hon. Member for Bridgwater (Mr. Liddell-Grainger) talked about estate agents. Anyone can set themselves up as an estate agent. In this country, they need no qualifications at all to do so. There are some very good ones on whom I would be very happy to rely, but the reality is that many have no qualifications. The general public ought to be very concerned indeed that all they have to go on when buying a house is a brochure from an estate agent. The principle that the public should be protected by a system in which the seller provides information to the prospective buyer therefore seems a good starting point.

Secondly, whatever process we have, there will be costs. At present, there are search and survey costs and a whole variety of other costs, including estate agency fees. It seems to me to be reasonable that the costs should fall on the vendor rather than the purchaser. That protects first-time buyers who, by their very nature, are not sellers, and will therefore be helped by home information packs and home condition reports as they will not have to bear upfront costs. I shall deal with the point at which costs might be incurred in a moment.

If we can develop a system that avoids at least some elements of the duplication that can, although not in every transaction, occur, we should do so. At present, it is obvious that some transactions involve more than one request for a search and that some individuals seeking to buy a house have a search done on more than one property. If we can avoid that duplication by providing the search in the pack from the beginning, that seems to be a sensible principle. Some properties may have been on the market for so long that a second search must be done. The likelihood, however, is that there will be fewer

[Mr. Clive Betts]

searches and less expenditure under the HIPs proposals than under the current arrangements. No one has ever really tried to dispute that.

If information about the energy efficiency of homes can be incorporated into the system, I would hope that everyone would welcome it. I take the point, however, that if someone is to visit the home for the purpose of ascertaining its energy efficiency, it would be the best use of time and expenditure were an examination of the state of the property and a structural survey also done. That leads me to my next point. The House has a responsibility, as do the Government, to protect people from themselves to a degree. I find incredible the number of people in this country who still buy homes—the biggest financial transaction in their lives—without having a survey done. The only surveys that they have done are by the building societies, and we know how peripheral those can be. If we ask people to engage in a process with that amount of financial commitment, without also requiring them to have a survey completed, we would be failing in our duty as parliamentarians, and the Government would also be failing in their duty. Therefore, a system that requires a survey to be done is sensible.

For those reasons and good principles, a system of HIPs, with HCRs as part of it, seemed to me an appropriate way forward. As well as agreeing to the principle of the Government's proposal, I also believed that it was right to consider how it would be implemented. Throughout the process, especially in the Bill's Committee stage, I engaged the Minister in debate and asked for proper pilots to be carried out. If the Government's statement today means that we will have a proper dry run, a proper look at what will happen, and an opportunity to iron out some of the wrinkles inevitable in any scheme when it is first implemented, I will welcome that. I will not, however, welcome a decision that ultimately means that we do not get the principle of HIPs with HCRs as part of a mandatory process. I will accept the Government's proposal if an eventual move to mandatory HCRs is still very much on the table, and if the Government are prepared to give serious consideration—as the Minister has committed to do, although she has not committed to introduce the system—to including in the pilots, at least in some cases, an element of mandatory HCRs.

There will be some potential difficulties when the scheme begins. Unlike Conservative Members, however, I have some faith in markets. The people engaged in the process will adapt and change, and all the complaints from the Council of Mortgage Lenders about the dual cost of valuations will melt away. Magically, valuations will appear in most cases and will be co-ordinated with surveys done as part of HCRs. Ultimately, we will find that there is one process, and that lenders who refuse to accept that the introduction of HIPs and HCRs has changed the way in which we buy and sell houses in this country will go out of business. Those who want to stay in business will adapt to the new system, and we will not find that there are two charges up front for valuations.

We have heard all the scare stories about £1,000 upfront, but we know that those are nonsense. What will happen is that HIP providers will come forward who will only charge people when the house is sold. How do we know that that will happen? Maria Coleman, who ran the trial scheme in Bristol—which, I understand is still running— came to a deal with all those engaged in the process and the charge was made only at the end of that process. As I said, I have some faith in markets—I am surprised that Conservative Members do not—and they will adapt when the changes come about.

Mr. Wills: There have been a good many scare stories about the effect that HIPs might have had on the housing market. As my hon. Friend well knows, a number of different factors affect the state of the market, including real interest rates, nominal interest rates and disposable incomes. How important does he think the effect of HIPs would have been in comparison with those of all the other factors?

Mr. Betts: I think that the most important factors are the stability of the economy, and confidence that that stability will be maintained in the future. The finding from the Oxford survey that HIPs would have a massive effect on gross domestic product and jobs was entirely predicated on a 10 per cent. fall in the number of housing transactions. The figure was dragged out of thin air; there was no proper assessment. What was said was simply that if there were a 10 per cent. fall, that would be the consequence—which is fine, but it does not mean that HIPs would bring about the 10 per cent. fall in the first place.

We must ensure that the content of HIPs is as useful as possible to both seller and buyer. I have some sympathy with what Opposition Members say about that in their motion. If they really fear that the content is not adequate, and if it is true that more information about electrical installations is needed, I support them. If we are to introduce this document, it is important that we get it right.

I think that HIPs should also include information about the security of homes. Even if that were not mandatory, sellers could state: "This is the information that we have about the security of our homes." They could say whether burglar alarms and locks had been installed and whether their homes met standards set by the Association of Chief Police Officers. If they chose not to include such information, that would say a fair amount about the state of their homes as well. There could be a section dealing with fire safety, which again would not need to be mandatory. Those who wanted to include the information could do so very clearly, and buyers would observe either that it was there or that it was not.

If a trial helped us to get the content right, it would be beneficial. I am not sure where the Opposition stand on the matter, because their motion states that they want HIPs to contain even more information. If we ensured that the content was right, would they support HIPs? That is the implication of their motion, but it is not what they have said today. At the breakfast meeting that I attended last week with the hon. Member for Surrey Heath (Michael Gove), he agreed that there should be a paid-for dry run in a part of the country for the introduction of HIPs on a mandatory basis, with mandatory home condition reports. If that is still his position I support him, because I think that it would be quite a good idea to try out the system to see if it worked, and I believe that the markets would adapt to it.

I hope that the Government have not walked away from HIPs completely. If they are signalling that there is to be a delay, that there are to be trials, that the mandatory scheme is still on the table and that there is a possibility of mandatory dry runs and pilots for HCRs in some parts of the country, I am prepared to go along with that. During the debate, I have heard nothing from the Opposition parties about how they would reform the process of buying and selling houses. If they are telling the country that the current process is perfect, my constituents and many others would be interested to hear their defence of a system that most people would not be prepared to defend.

I want HIPs and HCRs to be introduced because I think that they are right in principle. I want them to be implemented properly and to operate efficiently and effectively before too long, because I believe that that would benefit all our constituents.

3.48 pm

Robert Neill (Bromley and Chislehurst) (Con): I am grateful and relieved to have caught your eye, Mr. Deputy Speaker, and to be able to make my first speech in the House during this debate. Indeed, after last Wednesday's events I am grateful and relieved that there is a debate for me to speak in.

I begin my speech with mixed feelings—in particular, feelings of both humility and sadness. I say that, of course, in relation to my predecessor, the right hon. Eric Forth. It is not easy to follow someone who became a legend in the House in his own lifetime. He was an exceptional parliamentarian, someone who was passionate about the House and passionate about the defence of its rights, as he was passionate about the rights and freedoms of the individual. He was passionate about the integrity of the democratic and legislative process. If he sometimes made himself less than popular on Friday mornings in that regard, it was because he believed in the importance of making any measure presented to the House subject to the most rigorous scrutiny. It would be interesting to know what he might have said had he been here to contribute to this debate.

I must also express a measure of sadness, because Eric was a good friend to me, as is his wife, Carol, who many hon. Members will know was a great support in all that he did. He had many friends among right hon. and hon. Members throughout the House. He also had many friends in the constituency of Bromley and Chislehurst. Despite the myth that he assiduously cultivated to the contrary, he was a very dedicated constituency MP.

It is very difficult for me to fill his shoes and stand in his place. I can endeavour only to do my best. Members will have their own recollections of Eric and his endeavours in the House, and many of the tributes paid to him were accepted on all sides. I particularly liked one tribute to the effect that Eric

> "regularly made a lot of mediocre people very angry. He was a wasp in the jar of public life and a first-class nuisance."

He would have liked and appreciated those sentiments and the spirit with which they were expressed. It sums up what he believed was his duty as an MP—to say what he believed without fear or favour. We all know that he certainly did that throughout his entire career here.

By way of a final tribute to Eric, I can say two further things. He was a legendary debater, as I know from observing some of his debates on television. Many Members will recall his sparring across the Chamber with the late Robin Cook. Many people I spoke to during the by-election campaign commented on the ironic tragedy of those two great parliamentarians being taken from us prematurely. Secondly, in summation, my ultimate tribute to Eric is to express my sadness that I am here in his place rather than joining him here.

Given the past few weeks, Bromley and Chislehurst may not be wholly unknown to right hon. and hon. Members and I am certainly grateful to my hon. Friends who took the opportunity to make their acquaintance with the constituency. The area is described in a well known reference book as a classic piece of London suburbia. I might take issue with that a little, because it does not do justice to the diversity of the constituency or to suburbia itself. The truth is that it is part of Kent and many of my constituents regard themselves as inhabitants of Kent as much as of London. Over the years, the area was eaten up by the growth of the metropolis and the advance of the railways.

A range of communities live within the area. To the north is the village of Mottingham. Moving down towards Chislehurst, originally a village on one of the main roads towards Maidstone and we move through the former garden suburb of Bickley to the old market town of Bromley, which was once a summer residence of the bishops of Rochester. It grew into a major commercial centre, as it happily remains today, based on the main railway line to London. We then move on to the suburbs of Hayes and the village of Keston.

Over the years, the area has attracted a variety of residents. I am told that W. G. Grace lived in Mottingham and, while I was canvassing, I discovered at the northern tip of the constituency the house in which he lived. I also discovered that he had a total score in first-class matches of 55,213. Now that is a result! I am conscious that I am going to have to up my run rate a little if I am to match that.

Chislehurst was at one time home to Emperor Napoleon III during his exile in this country. He was attracted, apparently, by its easy rail access to London—plus ça change, some might say. A later inhabitant was Richmal Crompton and many people say that characters and places in the "Just William" books can be identified in Chislehurst to this day. One story was entitled something like "William Gets By" and, after the by-election, I have some sympathy with that sentiment; indeed, I remember thinking that I should re-read that story.

Bromley was home to H. G. Wells who, happily from my point of view, did not have as lasting an impact on the political philosophy of its residents as he might have done. Even more dramatically, the place was home to Prince Peter Kropotkin, author of the theory of anarchism.

On a different tack, William Pitt the Younger had his home at Holmwood in the southern end of the constituency, and it is particularly relevant, with the anniversary of the abolition of slavery coming up, that it was in the gardens there that he and William Wilberforce talked about Wilberforce's proposals to abolish the slave trade.

[Robert Neill]

So my constituency has had a pretty varied and lively past—not entirely typical of suburbia, I would submit. Of course, its present-day occupants and residents come from a diverse background, too. What they have in common, as well as that dual identity between London and Kent, is that they are the people who through their skills and hard work are the engine that keeps London the economic powerhouse and centre that it is. That is true of all suburbia, and the contribution of its inhabitants to the capital and the nation is therefore often seriously underestimated.

People choose to live in the outer-London suburbs because they believe that doing so gives them and their families and children a better quality of life. They are prepared to tolerate journeys on the railways that are probably marginally less stately or comfortable than those that Napoleon III enjoyed, precisely because they want to live in a community that has greenery and space. It was clear during the by-election campaign that that feature is threatened: people are concerned that the qualify of life in those suburbs is undermined by the pressures of building. They are not nimbies—they want their own children to have homes to live in—but they are concerned that the development of those new homes should be in the right place and should not take place at the cost of the existing environment.

People are concerned about the cost of living in suburban London—for example transport costs, but also the costs of council tax and housing, which is why I wanted to speak in this debate—but above all they are concerned that a one-size-fits-all planning policy, coming from the Mayor of London, threatens to undo the benefits of the suburbs and not offer the advantages that might have been intended. That is a key issue for them, and they fear that they will see more and more in-fill development, which cannot be sustainable in the long term for anyone.

One of my predecessors as the Member for the Bromley part of the constituency was, of course, the late Earl of Stockton, Harold Macmillan. Although I appreciate that I am more mature than some new entrants to the House, I cannot pretend that I remember him when he was Prime Minister, other than as a black-and-white figure flickering on the television set in my parents' home. However, as I became involved in politics as a student, his legacy was still a fresh and cogent one, which has remained with me for a long time.

I have re-read Alistair Horne's remarkable biography of Macmillan, and he made the point that, among Macmillian's many qualities, those that stood out were his ability to think forwards—to relate the basic principles of his philosophy and of his party, when he was its leader, to the challenges both of today and of tomorrow—and his great skill in restating those principles in terms of the issues of today and in the language of today, tackling at that time the growth of the post-war mass consumer society. That need is as relevant now as ever, so I am glad to say that I think that the spirit of Harold Macmillan lives on among my right hon. and hon. Friends in the House and elsewhere.

Of course, Macmillan's first great contribution in redefining the post-war Conservative party was in housing. It was Macmillan who set out practical and deliverable means of increasing the supply of housing and of advancing home ownership. That is something about which my constituents feel very passionately indeed, and that sentiment applies right across the breadth of society.

The London assembly, of which I currently have the honour to be a member, carried out a survey of key public sector workers as long ago as 2001. That survey identified that some 77 per cent. of the people who drive our buses, who are our police officers, who are our teachers and who work in the medical profession, such as nurses—those who keep the city ticking along—had an aspiration to own their own homes. It was the inability to purchase in London that often caused those people to leave the capital. When considering the home information pack proposal, I asked whether it would make it any easier for those people to achieve that aspiration. I will adhere to the convention and attempt to be as non-controversial as possible, but I regret to say that the evidence that I have received does not persuade me that that would be the case.

In particular, I have, for obvious reasons, had more opportunity than most to talk to members of the general public in the past few months. Whenever the issue was raised—more often than one might think—on the doorstep, not one person had anything to say in favour of the proposals. They were not at all backwoodsmen but ordinary members of the public who aspire to encourage home ownership for their children and feel that the home information packs will be a hindrance, rather than a help. I take the point that there is always room for improvement in how we deal with home purchase and selling, but it is not an advance to identify the problem and come up with the wrong answer. That is what concerned the people I met about the Government's original proposals. They are concerned that inevitably—and despite all that we have heard in this debate—the costs will be passed on to the purchaser, which will bear especially harshly on first-time buyers, who will often have to commission their own surveys because they are likely to borrow more than the 80 per cent. of the value of the property that is likely to be the cut-off point, and will need greater comfort because they will not have a track record with the financial institutions. The changes will make the task of first-time buyers harder. Those in Bromley already have to raise more than the normally accepted rate in terms of the earnings to borrowing ratio and the proposals will make that harder.

It is also clear that the proposals will not assist in the matter of structural subsidence. There was much publicity in my constituency recently when some homes in the centre of Bromley disappeared into a hole in the ground. The incident also caused the main line out of Victoria and the Eurostar to be suspended for some time. The proposals would not have assisted those people. They will, however, pose an additional bureaucratic burden.

I have considered the regulations and the explanatory notes, which run to more than 104 pages of text. I accept the genuineness of the desire to make home purchase less stressful, but I am not sure that ploughing through this legislation would make it less stressful for anyone. As well as speaking to ordinary residents, I have taken the opportunity to speak to professionals, and I would not sneer at their views. Those who have had 20 or 30 years of experience as conveyancing or trust solicitors say that they have a real fear that the proposals will cause fewer houses to come on to the market. They are not whipping up a froth in support of vested interests: those to whom I talked struck me as persons of integrity who gave me the benefit of their own empirical experience. That should be of value in deciding the best approach to this issue.

I am conscious that many hon. Members wish to speak in this debate, so I shall draw my remarks to a close. Eric Forth's favourite word was "why". I suspect that he would have applied that test to these proposals and I fear that he would have drawn the conclusion that he had not had a satisfactory answer. From all that I have heard, I have not had one either.

4.4 pm

Mrs. Claire Curtis-Thomas (Crosby) (Lab): I should like to begin by thanking the hon. Member for Bromley and Chislehurst (Robert Neill) for his excellent maiden speech. It was marvellous to hear him talk about Eric Forth. I had many arguments with him, but no one can deny that he was a stalwart of this House, or that he did it great service. I know that the hon. Gentleman's words will have been received very well.

Before I make my contribution on HIPs, I must first declare my interests. I am a chartered engineer and a fellow of the following organisations: the Institution of Mechanical Engineers, the Institute of Electrical Engineers, the Institution of Civil Engineering Surveyors, the Institution of Engineering Designers and the City and Guilds Institute. At various times, I am required to provide information to those bodies, and I have participated in a number of their campaigns in respect of various Bills.

I am also chair of the all-party building services engineering group, which receives support from the Heating and Ventilation Contractors Association. I host meetings in the House for women in plumbing that are sponsored by the Institute of Plumbing and Heating Engineering. I chair the all-party group for construction skills and training, which receives support from the Construction Industry Training Board. For many years I have worked for specialist electrical contractors and for the Electrical Contractors Association. I sit on the board of the Institute of Mechanical Engineers, whose membership includes people working in the housing industry. I am also one of those currently undergoing training so that I can provide home inspection surveys.

I am a member of the Engineering Technology Board, which regulates academic standards in the engineering sector and which will also be responsible for regulating the course provided by Reading university. I sit on the board's panel that represents the interests of registrants, many of whom have qualified already as home inspectors. In the past eight months, I have met all the chief executives in the sector skills council who represent the interests of companies in the engineering sector, including those that have been heavily involved in giving thousands of people the opportunity to undertake the home inspector's role.

In addition, I work with all the engineering institutions that have a vested interest in promoting engineering and the development of vocational and professional standards. I believe that the HIP, and the home condition report in particular, offered an excellent opportunity to improve housing stock over time.

It would be useful to compare the HIP with the MOT test for cars. The MOT was introduced after many years of motoring disasters. The Tories have given various reasons in the debate as to why HIPs should be dismissed, and I have no doubt that they would give the same reasons to reject the MOT if that test were to be introduced today.

The same arguments apply. The MOT test comes at an additional cost that is a burden for car owners, and when the test was introduced the serious problem was that too few people were qualified to carry it out. However, would we seriously suggest today that we should not have the MOT test, given that it has led to significant safety improvements in car production and use? We would not, as the MOT test is a very sensible intervention.

I believe that the HIP is the equivalent of an MOT for houses. It will cost money, but the aim is to ensure that people have safer homes to live in and understand the condition of the houses that they buy. That is what we expect to happen with cars, which cost only a fraction of the price of houses, so why should we not get the same help when we purchase a home?

My hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) and my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) made excellent speeches earlier, and I wholeheartedly support what they said. Like them, I am deeply concerned at the fact that the HIP is not to be introduced next year.

Like my Back-Bench hon. Friends, I support the cause of making home condition reports compulsory, and I do so for the following reasons. When the Housing Bill was introduced, it was argued that HIPs would deliver:

> "Transaction Improvements by reducing the abortive costs to consumers and the industry as well as reducing the number of failed transactions caused by survey or valuation inspection findings."

It was claimed that they would also deliver:

> "Housing Stock Condition Improvements by a reduction in the incidence of unexpected repair bills and encouraging better maintenance of homes."

It was also said that they would create:

> "Greater Consumer Choice by reducing the entry costs to first time buyers and creating a market of serious sellers."

Many colleagues have discussed transaction improvements and greater consumer choice, but I want to concentrate briefly on housing stock condition and the importance of the home condition report. It has rightly been pointed out that many first-time buyers do not engage their own surveyor to assess the condition of the property that they are purchasing, and in many cases they will be purchasing a property with a number of costly problems. Unless the previous owner has taken the time to ensure that all the work undertaken in their home has been carried out by a competent person, the buyer must beware.

Far too many people buy properties with serious problems. They might face serious problems with their electrical distribution capacity. That might mean that they cannot add anything more to their existing

[Mrs. Claire Curtis-Thomas]

electrical circuits than they already have, or that that they get shocks from systems in their kitchen, or that their lights go out whenever they switch on a radio, simply because their electrical board has not been updated—and does not meet any of the standards introduced by the Office of the Deputy Prime Minister in the past few years.

More worryingly, people might have serious problems with their gas supply and the gas distribution in their home. Unless they have commissioned a survey to determine that, they will find that out the first time someone comes to inspect their boiler. I have spoken to many people who received a nasty shock when their boiler was inspected—not an electrical shock, but a serious shock of a different kind when the inspector said, "I'm now going to switch off your boiler and your gas supply because you're not safe." People say in reply, "Well, I bought it only a few weeks ago; it's a new boiler." A new boiler is not necessarily a safe gas installation; it is not a safe gas installation when it has not been installed by a competent person.

As much as we would like to think that every such person who comes to our homes is competent to carry out the jobs that we pay them to do, none of us are that naive. Lots of people who come into our homes, and go into the homes of our constituents, profess to be something that they are not. They do not carry industry competence certificates to demonstrate that they are capable of doing the job. It is not only the person who owns that house at that time who suffers as a consequence of that: so, too, does the person who will buy that house in the future.

Let us talk about drainage. Most of us take drainage for granted; we flush the toilet and everything disappears. But that is not always the case. Some people knowingly sell a home that has serious drainage problems. The buyer does not know about that if they have chosen not to have a survey done. The home condition report allows them to know about that, because an assessment of the drainage will have been carried out—and drainage is very expensive. It can cost people tens of thousands of pounds to correct a drain, even when they have insurance cover of the drains within their property. More often than not, the problem is outside the property, and they do not have insurance to cover that. The whole of their drive could be taken up, right back to the main road, and that could cost £10,000. The cost of this report is negligible in comparison, even if the purchaser has to bear it.

What about construction? Many Members have talked about subsidence. As an engineer, I like subsidence; it provides me with a great intellectual challenge, and I have never yet come across an instance of subsidence that I cannot sort out—but that is me. I have looked into the qualifications of Members of this House, and none of them has any of the qualifications that I have, so I am okay on the subject of subsidence. *[Interruption.]* It is a shame, it is a great shame. I am okay on that, but most people's biggest worry is subsidence. They are very frightened by the possibility of subsidence, because subsidence means tens of thousands of pounds in costs. It does not mean that to me, but it does mean that to most Members of this House.

When surveyors carry out home condition reports, they do not come in with no knowledge whatsoever. They are not going to see subsidence and then not tell people about it. We are professional engineers, and the people who take this course will be committed to high standards. If they are not going to exhibit high standards, they will be fined. They could be charged and they will be brought into litigation, which would be counterproductive, so they do not want that. Although they might not be able to do anything about a particular incidence of subsidence, they are not going to fail to point it out. Subsidence is pretty obvious—it is not a small crack in the wall that occurs as a result of drying out. It is serious problem, and surveyors will see it, just as I could see it immediately if I walked into a Member's home that was suffering from it. I would not fail to point it out, because I am a chartered professional engineer and we are required to point it out. Currently, first-time buyers do not get that service if they cannot afford the privilege of accessing that information. Such access is what we need.

The home condition report is not just of use to the person who is purchasing the property; it could save the life of the person selling it, which is why it is important and why we need it. There are too many rogue traders working in this area. Far too many householders enlist the services of people who are supposed to be competent, but are not. I am not going to blame householders for doing so, because the vast majority of us are completely ignorant of this world. We cannot know everything, but we have got to enlist people whom we can trust to help us get good standards at home.

Let us say that I sell my house tomorrow and a surveyor assesses it—looks at my gas and electrical installations, at my property's construction and at the drainage—and says, "This isn't right and we are concerned about it; we want to look at your certification." Then, on my handing them the certification, they say, "Well, it looks pretty, but it is worth nothing—you must have the property surveyed again." I would want to know that. I have got three children, and I would want to know whether my property was safe. I would then go back to the person who did the work—or try to—and say, "Come on, give me the correct documentation."

However, most people in that situation will be in for a very nasty shock. They will find out that those who did the work were not competent to do so and cannot supply the certification. At that point, they will learn pretty quickly who is competent to assess home installations. That is great for the building service industry, which is bending over backwards to ensure that only legitimate people undertake work in homes. The big issue that we Members of Parliament deal with is consumer protection and consumers who are being ripped off by unethical traders. This measure—this intervention—has helped to address that problem enormously.

So, like many of my colleagues here today, I regret the fact that the home condition report is not going to be in the home information pack. I understand why it is so important, and what a missed opportunity this is for consumer safety. I know, speaking for all of my colleagues without exception, that they will regret this, but what they will do is wait. If it is a requirement to provide a set number of people to do the job, that will happen, because we want a safe industry. We want to improve the standards of homes and to make them safer for people. That is what this is all about.

I have heard some pretty adverse comments, but I have not heard Opposition Members talk about consumer safety, which is a pity. I cannot think of any better vehicle than this one to deliver improvements in consumer safety quickly. I urge my hon. Friend the Minister to look again at making home condition reports mandatory, because there is an imperative to do so. I am happy to wait while we sort out the number of people required, invigilation standards and so on, but there is an industry waiting to do this work, and a consumer protection imperative for us to deal with this issue.

4.20 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The hon. Member for Crosby (Mrs. Curtis-Thomas) spoke for 15 minutes; I shall speak for a mere five to try to allow my colleagues time to get in.

I declare an interest as a fellow of the Royal Institution of Chartered Surveyors. I was also heavily involved in the gestation of the home information pack measures as the official Opposition spokesman on the Homes Bill in 2000, the first that came before us on the matter. I pay tribute to the work done since by official Opposition spokesmen—my hon. Friends the Members for South Holland and The Deepings (Mr. Hayes), for Poole (Mr. Syms) and, in particular, my hon. Friend the Member for Surrey Heath (Michael Gove), who has valiantly campaigned on the issue and who made a very worthwhile speech today.

We are where we are, but I agree with all who have said that we are in the worst of all possible worlds. We have half a compulsory measure, with all the costs that that will involve. For the sake of clarity, I shall quote the relevant paragraph of yesterday's written ministerial statement:

> "This means that the remaining aspects of Home Condition Reports will not be made mandatory from June next year, but HCRs will be authorised documents that sellers will be able to include in their packs."

The sting in the tail comes next:

> "Mandatory HCRs will remain on the table if the industry fails to make a success of the roll out of HCRs."—[*Official Report*, 18 July 2006; Vol. 449, c. 13WS.]

So, we really do not know where we are. We do not know whether they will be made mandatory or not.

I wish to make what I think is a sensible suggestion. Let us leave the system as it is now proposed until the next general election. Let us see whether home information packs do the job that they are supposed to do. If they do, no doubt all parties will wish to include in their manifestos a promise to make HCRs mandatory. But if there are huge problems and if they have not done what they are supposed to do, I have no doubt that the Labour party, as well as my own, will run away from the idea as fast as they possibly can.

I am interested in the costs and benefits. I listened carefully to the right hon. Member for Greenwich and Woolwich (Mr. Raynsford), who was quite right to identify the benefit as being about £1 million a day—some £365 million a year. He went on to say that no proper analysis has been done of the costs, but I shall give him some. The Government have produced figures on the sellers packs—official figures included in the explanatory notes to the last Bill—showing that the cost without the home condition report would have been £660 per pack, without value added tax. The cost of the home condition report is put at £400, and we could halve that for the environmental statement, which leaves the packs at about £460, or about £550 with VAT. Multiply that by the 1.2 million actual sales each year and we have a cost of about £650 million. In other words, there is a cost-benefit gap of about £300 million. For a benefit of £350 million, we are getting a cost of £300 million. What on earth is the sense of bringing in regulations that cost that amount for that benefit?

There are a number of ways in which the Government could improve the housing market, which, on the basis of 1.2 million sales and average house prices, according to the Halifax, of £176,000, is a market of about £200 billion. There are several things in the market that they should consider. First, what should they do with the home condition inspectors currently under training? There are about 3,000 of them, and a lot are lowly paid people who have invested several thousand pounds of their own savings. They will not know today whether they should continue their training or not. I beg the Government to give those people a clear steer on what they should do.

Other measures that the Government could consider include speeding up e-conveyancing and e-searches. The national information land register has been mentioned today, and of the 175 local authorities represented in the House, only 42 are properly e-enabled. Searches, more than anything else, hold up property transactions, and the Government could do a great deal in that respect. They should also look at estate agents. As has been said, they have a good association, but 30 per cent. of them are not members of it, and a number of that 30 per cent. are complete cowboys. Let us get the estate agents under control with proper regulations.

The Government could do a number of things. They should look carefully at the whole market, if they want to interfere with it as they propose, with the buyer versus the seller, and remember the old maxim, caveat emptor. When buyers look at the packs they will think that they have everything on a plate, but there are still many problems that they will need to consider.

There will be problems with the energy performance certificate and the Government should not underestimate them. The Royal Institution of Chartered Surveyors estimates that the software will be correct for only 80 per cent. of houses and the Government will have more difficulty than they think in providing enough inspectors for the work.

4.25 pm

Nia Griffith (Llanelli) (Lab): I shall not repeat all the excellent points made by my hon. Friends, as there is little time left for the debate, so I shall focus on energy efficiency. I welcome the intention to include in HIPs information on energy efficiency, including information about how to cut fuel bills and carbon emissions. We are all becoming increasingly aware of the impact of carbon emissions on climate change, but in our busy lives we need reminders and incentives to encourage us to prioritise the issues. The concept of an energy

[Nia Griffith]

performance certificate will help all home owners, vendors and purchasers alike, to focus on making their homes more energy-efficient.

Viewing a house on a lovely warm day, such as today, it is easy to forget what it might be like in the middle of winter. First-time buyers in particular can find the whole process of buying a house such an ordeal, with so many different things to think about, that they often overlook the important issue of what the fuel bills are likely to be. It has been my experience as a vendor that hardly anybody looks at energy-saving features and few people ask what my fuel bills are.

Information on energy efficiency is valuable to buyers, enabling them to make a realistic assessment of what their fuel bills are likely to be. It also allows them to make comparisons between the properties that they view. Furthermore, knowing that prospective purchasers will look at the energy efficiency information and compare the likely fuel costs of properties will act as an incentive to vendors to consider how they could make their home more energy efficient. Estate agents' publicity material will mention more than just double glazing in terms of energy efficiency. People will increasingly talk of homes as "cheap to heat" or "expensive to heat". As that information becomes more important to prospective purchasers, it is likely to affect property prices; good energy features will be appreciated for the fuel bill savings that they can bring.

In the course of my adult life, I have bought and moved into eight homes, which usually involved improving older properties. I know how overwhelming the process can be, and the energy efficiency information in the pack will provide a useful checklist for people who are thinking about how to improve their property.

Not only will people think about how to insulate their homes better and reduce fuel demand, but the knowledge that when they sell their home it will be judged on its energy efficiency will act as an incentive to consider installing microgeneration equipment for heat or electricity. Only a year ago, my hon. Friend the Member for Edinburgh, North and Leith (Mark Lazarowicz) chose to use his success in the private Members' Bill ballot to introduce the Climate Change and Sustainable Energy Bill. At that time, few people were talking about energy efficiency or microgeneration, so it is to his credit, with the support of the Minister for Energy, that those issues have gained so much prominence. I thank my hon. Friend the Minister for Housing and Planning for her genuine commitment to try to tackle climate change in her areas of responsibility. It is to her credit that we are even talking about energy performance certificates.

The inclusion of energy efficiency information for prospective buyers will influence builders. When they are thinking about how to market their properties and steal a march on their competitors, they will give much more consideration to including features that enable them to boast of excellent energy efficiency ratings. That could have a significant impact on their choice of materials, the design of the layout of the house to make the best use of sunlight and the microgeneration equipment that could be included. If we are going to be serious about tackling climate change, it is no good just making grand speeches. It is a concern that should be addressed by all Departments across Government, not just by the Department for Environment, Food and Rural Affairs and the Department of Trade and Industry.

I welcome the inclusion in home information packs of energy efficiency as a significant step forward in increasing awareness of what we can do to make our homes more energy efficient. I hope that the inclusion of energy efficiency in HIPs will serve as an excellent example to all Departments of how measures to encourage energy efficiency can and should be included in all areas where the Government have influence.

4.30 pm

Angela Watkinson (Upminster) (Con): In the few moments that remain, I wonder whether I could reduce my speech to a few questions to the Minister, which I hope he will be able to deal with in his summing-up. They relate in particular to the home condition reports, which I assume from the statement yesterday that the Government will press ahead with and endeavour to make mandatory in due course.

For how long would the information in home condition reports remain valid? Would the vendor have to renew the information at, say, three-monthly intervals? If the property is taken off the market for more than 28 days, the pack has to be renewed. If the details are deemed to need updating when the property is off the market for a month, for how long are they deemed not to have changed while it is on the market? For example, would a two-year-old home condition report still be valid if the property had remained on the market during that entire period? What buyer could trust it? What seller would volunteer that information if it were not mandatory?

That could mean that the price of the property would have to be increased periodically to absorb the recurring cost of updated home condition reports. It is clear that the Government still intend to introduce home condition reports, but not yet. The usual strategy to make a house more attractive for sale is to reduce the price. Far from ensuring that the home buying and selling process becomes more certain, transparent and consumer friendly, while reducing stress and the number of failed transactions, that will create an additional complication.

How many of the idiosyncrasies that all homes have would a seller be required to declare? Should there be caveats such as the fact that television reception on Five is poor because the house is in a bit of a valley, the radiator in bedroom 2 does not work unless it is given a kick, or the oven is slow? Every home has a multitude of idiosyncrasies. Into what detail does a home condition report have to go? What about things such as squirrels, birds or even bats in the loft, or foxes under the garden shed?

More important, what would happen if that information were omitted? Who will verify the information that is provided? What will be the status of the information and what if there is a dispute between the seller and the inspector as to the content of the report? What obligation is there on a buyer to have their finances in order and to be in a position to exchange contracts when an offer is accepted? What bar is [illegible] to prevent a seller from accepting a differe[illegible] while the sale to the first buyer is still in progress? [illegible]t redress will a buyer have if a HIP is found to h[illegible]een seriously misleading? Many people would be u[illegible] to afford to risk legal action when they have just inc[illegible]ed the considerable costs of moving home, but if the HIPs are not binding in law and caveat emptor still applies, there seems to be little point in them.

The Department's statement says that the third aim of the HIP programme is

> "to encourage and support long term transformation of the home buying and selling industry by introducing greater transparency and competition to drive down costs and incentivise better service and clearer redress for customers."

It is gobbledegook and I urge the Minister to abandon the entire scheme.

4.33 pm

Mr. Robert Syms (Poole) (Con): First, I draw Members' attention to my interests in the Register of Members' Interests. I do not think that I have an interest, but given the way that interventions go in such debates one is never quite sure, so I think I had better declare it.

I warmly congratulate my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) on an impressive maiden speech. It included some fond stories of Eric Forth and Robin Cook, and a tour of his constituency, which, as he said, we have all got to know over recent weeks in this hot weather. I am sure that we all look forward to hearing a lot more from my hon. Friend, who I am sure will make a great contribution in future years in this House.

We have had an interesting debate. Some of us have lived with the issue of HIPs for a considerable time, and we sometimes wake up in the middle of the night in a cold sweat, thinking about the consequences of the measure. The Opposition's position has been entirely consistent for the past half dozen years. *[Interruption.]* Of course, that is a great relief. As my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) said, if one compares the costs for the 1 million to 1.5 million houses that are sold every year with the costs of the current system, one can see that the sums do not add up. Under the current system, someone can market their house or test the market at no cost to themselves. Under the Government proposals, however, there will be a substantial cost. Indeed, there will be a cost even if someone does not sell their home. Some people, of course, are unable to do so. We discussed all those matters when the Housing Bill was in Committee, and I am sure that we are on the right side of the argument.

I am a little confused about the Government's thinking. I listened carefully, as I always do, to the right hon. Member for Greenwich and Woolwich (Mr. Raynsford), who made a good case for the Government's proposals. The Government are in a pickle, because if they want home condition reports to be successful they must build sufficient capacity. They will only do so if they make the scheme compulsory and specify a date for its introduction. Essentially, 7,000 surveyors must be trained, so there is a long lead-in time. If the system is voluntary, as many hon. Members have said, most people will not be prepared to pay extra. Why would someone leave their job and spend £8,000, £9,000 or £10,000 on training if they are not sure of their prospects?

The Government have reduced capacity, because people who were thinking about training have realised that what seemed like a good career a few days ago no longer seems as good. The scheme proposed to include home condition reports in a computerised system or databank. Who will operate such a system if there is only a small number of such reports? Once again, capacity will be reduced. When my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes) argued in Committee that if the scheme were worth while it should be voluntary, the right hon. Member for Streatham (Keith Hill), the then Housing Minister, said that housing is largely about chains, so HIPs would work only if the home condition report were compulsory for everyone. The moment that compulsion was removed, he argued, the benefits of HIPs would end and the system would fail to speed up. There will be problems in June 2007, because there are not sufficient surveyors to administer a new system introduced in a peak period for the housing market. The Government therefore decided to make the scheme voluntary, thus reducing capacity and probably preventing home condition reports from working.

Mr. John Gummer (Suffolk, Coastal) (Con): Was not all that information available to the Government from the outset? Experts warned of problems, and many of us wrote to them again and again to explain the facts. What has changed to make them introduce a voluntary scheme when they believed that it was manifestly wrong to do so at the outset?

Mr. Syms: I can only speculate about the reasons for the change. Third-term Governments in difficulty start to look for snags ahead. The housing market is important for growth, and I am sure that the Treasury has taken a view about the benefits and disbenefits of the initiative. Decisions have been made on other issues, and I suspect that they, too, are part of the reason. The rationale of HIPs, with which I disagree, has been destroyed to some extent by the removal of compulsion from a large part of the pack. The right hon. Member for Greenwich and Woolwich made an important point. He said that if an inspector is going to a home to prepare a home condition report, he can do the energy performance certificate at the same time. If the procedures are separated, the cost of the energy performance certificate increases, so the benefits of the scheme are reduced. The Government have some more serious thinking to do about whether to proceed with the other elements. My hon. Friend the Member for Surrey Heath (Michael Gove) posed many sensible questions about whether the remaining elements of the HIP would stand without the home condition report.

Returning to the point about the people who have trained, my hon. Friend the Member for Arundel and South Downs (Nick Herbert), who had to leave the Chamber earlier, gave me an e-mail that he had received, which provides the perfect example. Guy Frazier of West Sussex has been doing a course with SAVA college, which I think is associated with Reading university. He says he has spent almost £10,000 on the course and on travelling backwards and forwards. He is

[Mr. Syms]

£10,000 in debt and is very concerned about what that investment will bring him. I therefore make a plea to the Government. Instead of being spent on publicity, perhaps some money should go to supporting those who have taken the Government at face value, undertaken training and put themselves in debt. We heard earlier that although only 230-odd people have qualified, there are about 3,000 people under training. Unless they have some measure of certainty, they may feel that they have lost their money.

We have had an interesting debate, with good contributions from several hon. Members. The right hon. Member for Greenwich and Woolwich set out what he saw as the rationale for the scheme. My hon. Friend the Member for Bridgwater (Mr. Liddell-Grainger) reminded us of the good sense of the people of Minehead and his various surveys in his constituency. The hon. Member for Sheffield, Attercliffe (Mr. Betts) argued the case for the scheme. I believe that he also served on the Committee that considered the Bill which resulted in the Housing Act 2004, so he is a veteran of such debates.

The hon. Member for Crosby (Mrs. Curtis-Thomas) spoke passionately about her concerns and about safety in the home. The House listened carefully, particularly to her CV and all her qualifications and engineering experience. My hon. Friend the Member for Cotswold, who is a veteran of the 2000 Bill, presented some compelling figures. The debate continued with the hon. Member for Llanelli (Nia Griffith) setting out her views, and my hon. Friend the Member for Upminster (Angela Watkinson) articulating some important questions, which I hope the Minister is able to answer.

The rushed decision, just before the recess, to change the nature of the game has probably raised more questions than it has provided answers, especially for many of those who are training in the hope of becoming home inspectors. I hope that when the Minister winds up the debate, he can flesh out the Government's thinking. It is clear that the scheme as it is constructed at present will not work. At the beginning of the debate, we heard from the Minister for Housing and Planning about trials in areas, but home condition reports cannot be compulsory in some areas but not in others.

Rob Marris: Why not?

Mr. Syms: Because people do not buy homes in regions. They buy homes on a national basis. The scheme will not work without a national chain.

Rob Marris: May I point out to the hon. Gentleman that under the Law of Property Act 1925 covering England and Wales, which came into effect on 1 January 1926, not all areas were areas of compulsory registration? It varied round the country for the following 70 years. We had a differential system then.

Mr. Syms: The hon. Gentleman has waited years to make that intervention in the House. I am glad I gave him the opportunity to do so, which he did very speedily. I will read it carefully tomorrow and perhaps give him a more considered reply.

Home information packs are an important matter that will impact on all home buyers and sellers. I do not think the Government have got it right. We were right in our initial opposition. The Government have moved away from their original proposals and will have to think carefully about the viability of the whole scheme. We have had an interesting debate in an interesting week, and I look forward to the Minister's remarks.

4.44 pm

The Minister for Local Government (Mr. Phil Woolas): This has been a fascinating debate, because it has flushed out the three types of Conservative Member in this Chamber. First, there are real "conservatives", who oppose change because they oppose change. That position is not intellectually coherent, but it is at least understandable and consistent. Secondly, there are those who want the status quo because their mates have told them that it is best. Again, that is not intellectually coherent, but I suppose that it is at least politically consistent. Finally, there are those who frighten me, and they want the unfettered free market. As my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas) has pointed out, one would not buy a car without an MOT or a service logbook, but one would sell a car without an MOT or a service logbook if the market regulation allowed. The Conservatives who frighten me are like Del Boy's friend Boycie, who would sell a car without that guarantee.

The hon. Member for Surrey Heath (Michael Gove), whom I welcomed into this House—not least because it got him off the airwaves—falls into the last category of the unfettered free marketeer. Perhaps we should not be surprised. One amusing thing to do in the evening when waiting for a vote is to read the writings of the hon. Member for Surrey Heath, who has worked for the BBC—as did I—and still writes for *The Times*. This is what he said about the housing market in 2002:

> "the housing market is a high stakes poker game".

With great enthusiasm, he advocated approaching home selling and buying like a gambler with a hand of cards:

> "Nerve shredding as the process can be, poker has proved an invaluable help because it teaches you to wait, as the antes are raked up by the other players and your reserves of patience (and money) dwindle."

He is consistent in his attitude to the housing market: let the unfettered free market decide.

The hon. Gentleman recently wrote about his 1995 biography of his then hero, Michael Portillo, which was subtitled, "The future of the right". He wrote that it

> "ranks up there with Robert Maxwell's life of Ceausescu and David Steel's moving 1985 manifesto for government, *Partners in One Nation*, as a work whose prescience left just a little to be desired."

I suggest that his predictions about the future of the housing market under our policy will be just as accurate.

Mr. Hayes: Will the Minister give way?

Mr. Woolas: When I have finished exposing some more of the points of view of the hon. Member for Surrey Heath—although I will not talk about Europe, because I have only six minutes and it would take an hour to expose the difficulties on that subject.

Conservative Members have said that the policy is dead, but they have also tried to criticise it. Either it is dead or it is not dead, and I do not think that there is an alternative—if anyone has found an alternative, I would be grateful to hear about it. All the evidence suggests that buyers and sellers are unhappy with the way in which properties are bought and sold. In many cases, people lose hundreds of pounds on abortive surveys and searches, and those who are least able to afford such costs often bear the brunt.

The current system is not working and consumers are dissatisfied, which is hardly surprising. There is currently an almost complete lack of transparency. Key information about a property becomes available only after terms have been agreed. In the meantime, people make an offer based on limited information and immediately begin paying out for searches, surveys, legal fees and other documents. If problems then come to light and the transaction fails, those costs are all wasted. The costs are often duplicated, too, when another potential buyer pays out for the same information all over again.

Another cause of transaction failure is the length of time that it takes for the process to go through, and the consequential increased risks of things going wrong. The process in this country takes twice as long as the European average. Delays, which have a knock-on effect through the chain, often result from buyers and sellers up and down the chain asking for and obtaining information on a piecemeal basis. Only when every link of the chain is in place can those involved be confident that their sale or purchase will go through. The Government's research shows that almost 30 per cent. of transactions fail after terms have been agreed, and more than £350 million a year is wasted in this way. Those costs are extremely serious for the people who bear them—for hard-working families who need to move home and for young people trying to get on to the first rung of the housing ladder. They are also a cost to the economy as a whole and represent a substantial wasted resource.

In those circumstances, no one can seriously argue that the market is working well and should be left alone—but that is what the Opposition want us to do. HIPs will give buyers the information they need in order to make an informed choice about the property before they make an offer, rather than later when large amounts of time and money have been spent trying to get hold of it for a purchase that may ultimately fail. More information up front will reduce delays and failures, cut duplicated costs and help to reduce the number of failed transactions, which cost consumers £1 million a day.

Moreover, as my hon. Friends have said, first-time buyers stand to benefit most from the policy. One of the main benefits of HIPs is that those first-time buyers will not have to spend hundreds of pounds on surveys and searches, and then find that the money that they have struggled to save has been completely wasted when their purchase collapses.

Mr. Hayes: The hon. Gentleman is making the case that was made when the Government introduced this policy. He is saying that it is necessary—indeed, essential—for the market, but he is not explaining why the Government have changed their mind, nor is he giving us any projection of the effect that this is likely to have on its success. Can he give us a notional view of the number of inspectors who will be required under the new scheme, and what progress is being made to train them to ensure that it works?

Mr. Woolas: I will tell the House why the Government made the written ministerial statement yesterday—because we are determined that the policy will work and we will not play politics with buying and selling people's homes. We brought that statement to the House before the recess because we wished to be transparent and to send out the message, not only to the House but to the public, that we believe—on the basis of the advice and evidence that we have—that risks might well have been involved if the 1 June 2007 deadline for the entire pack had been stuck to. This is the right thing to do, to allow time for proper trials so that we can get the policy exactly right. If the market makes it work, we will have HIPs; if the market fails, we hold back the mandatory card. That is a responsible policy.

I pay tribute to the new Member, the hon. Member for Bromley and Chislehurst (Robert Neill) and wholeheartedly endorse his remarks about Eric, not only as a parliamentarian but as a Minister. He may be pleased to know that my own constituency benefited hugely from Eric's time as a Minister. I am also grateful to the hon. Gentleman for his tribute to Robin Cook. The two men were great debaters in this House. I applaud him for his maiden speech. He may not have been an A-list candidate but he is an A-list Member of Parliament, and I welcome him to the House. [HON. MEMBERS: "Hear, hear.]

My hon. Friend the Member for Crosby made a passionate, informed and typically knowledgeable speech. She drew our attention to the parallel with the MOT certificate, and clearly showed why she supports HIPs.

My hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) asked us to consider sensitively the request for pilots and how the trials could be conducted. We will do that. He also said that he had faith in markets. I endorse that point and find it surprising that the Conservative party has lost its way with regard to its view about the markets and their contribution.

The hon. Member for Bridgwater (Mr. Liddell-Grainger) said that he had been listening to the general public and estate agents. He is obviously concerned about the policy. He asked about rented properties for licence. We are considering the matter. The details have to be worked out and infotmation will be forthcoming.

The hon. Member for Hazel Grove (Andrew Stunell) spoke wisely, considered the policy in the round, made some pertinent criticisms of the official Opposition's policy and asked for more details about trials, which are important.

My right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) welcomed the policy, as he has done consistently over months and years, and raised his concerns about the timing of the introduction of the mandatory elements in the packs. My hon. Friends and I will examine his words closely.

[Mr. Woolas]

The hon. Member for Cotswold (Mr. Clifton-Brown) made an important point about regulating estate agents. My hon. Friend the Member for Llanelli (Nia Griffith) reminded the House of the difficulties, stress and trauma of buying a house. The hon. Member for Upminster (Angela Watkinson) asked some pertinent questions. I can provide more details in writing but the essential answer to her question—

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 230, Noes 303.

Division No. 294] [4.56 pm

AYES

Afriyie, Adam
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Widdecombe, rh Miss Ann
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Rosindell and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Miliband, rh David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C.
(Sheffield, Hillsborough)
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark

Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Wills, Mr. Michael
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Mr. Frank Roy and
Kevin Brennan

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31(2) (Questions on amendments), and agreed to.*

MADAM DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House believes that reforms to home buying and selling need to be designed around the interests of consumers; further believes that Home Information Packs (HIPs) will cut waste and duplication and speed up transactions for consumers; applauds the proposed inclusion in HIPs of Energy Performance Certificates which will give buyers and sellers vital information about the energy efficiency of homes and practical suggestions about how to cut fuel bills and carbon emissions; welcomes the Government's intention to carry out further testing of HIPs; and notes that the Government is working with industry to encourage the successful voluntary take-up of Home Condition Reports, retaining the option of a mandatory approach to ensure widespread take-up, and thus maximising the benefit for consumers.

Commissioner for Older People (Wales) Bill *[Lords]* (Programme) (No. 2)

5.11 pm

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I beg to move,

That the Order of 15th June 2006 (Commissioner for Older People (Wales) Bill [Lords] (Programme)) be varied as follows:

1. Paragraphs 5 and 6 of the Order shall be omitted.

2. Proceedings on consideration shall be taken in the following order: new Clauses; new Schedules; Amendments relating to Clause 1, Schedule 1, Clauses 2 and 3, Schedule 2, Clauses 4 to 6, Schedule 3, Clauses 7 to 22, Schedule 4 and Clauses 23 to 30; remaining proceedings on consideration.

3. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion two hours after the commencement of the proceedings on the motion for this Order.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of the proceedings on the motion for this Order.

Given the expedient way in which we dealt with the Bill in Committee, I have no doubt that we can do equally well in the two hours that we have allowed for the small number of amendments that have been selected and the hour allowed for Third Reading.

5.12 pm

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I have no objection to the timetable. Perhaps my only sadness is caused by the fact that the business was timetabled for today, and was moved so rapidly from tomorrow. I believe that when the business was originally announced we were to deal with Lords amendments to the Government of Wales Bill on Tuesday, enjoy a day's break to recover, and then deal with this Bill on Thursday. I can only say that it is a tribute to the Minister's—

Madam Deputy Speaker (Sylvia Heal): Order. Far too many conversations are taking place in the Chamber.

Mrs. Gillan: I was merely going to pay the Minister a compliment., Madam Deputy Speaker. I am very glad that you have called Members to order so that they can hear it. I am impressed that the Government Whips felt so confident about the ability of the Minister and civil servants, and of course myself, to dispatch the business in a civilised and adult fashion that they decided to schedule it for the day after the Government of Wales Bill.

I can only apologise to colleagues who are tired of hearing the sound of my voice at the Dispatch Box, as well as the Minister's, but I have no intention of asking them to troop through the Lobbies—although I think that, given the heat outside, many of them would be quite happy to stay and debate the Bill for the rest of the afternoon and evening.

I am happy to accede to the motion.

5.13 pm

Lembit Öpik (Montgomeryshire) (LD): The hon. Member for Chesham and Amersham (Mrs. Gillan) may become used to this if she deals with Northern

Ireland business. Statutory Instrument Committees often take place at the same time as parliamentary business relating to Northern Ireland. It has been a source of frustration to me that the timing of business sometimes falls in impossible ways.

The Liberal Democrats consider the timing sufficient. Assuming that the Minister is willing to show humility and common sense, and to accept the sage guidance and counsel of the hon. Lady and of my hon. Friend the Member for Ceredigion (Mark Williams), I am sure that we shall be finished in minutes rather than hours.

Question put and agreed to.

Orders of the Day

Commissioner for Older People (Wales) Bill [*Lords*]

As amended in the Standing Committee, considered.

Clause 2

GENERAL FUNCTIONS

5.14 pm

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I beg to move amendment No. 1, in page 1, line 13, at end insert—

> '(ca) keep under review the adequacy and effectiveness of provision for those older people who are disabled.'.

This is a simple amendment that I tabled in order to probe the Minister on two specific aspects of the Bill. I hope that the drafting will require the commissioner to give special consideration to disabled people when promoting best practice in the treatment of older people in Wales.

I start by looking into the position of deaf people in Wales. The number of people in the UK estimated by the Royal National Institute for Deaf People to be deaf or hard of hearing is a phenomenally large 8,954,000. Of those, 688,000 have severe hearing difficulties or are profoundly deaf. The RNID does not publish separate figures for Wales, which again poses the question of disaggregated statistics. My first question to the Minister is whether he will look into the opportunities afforded to the commissioner's office, his own office or, indeed, the Assembly, to produce accurate, separate disaggregated statistics, particularly on deaf and blind people in Wales.

As it is not easy to get the statistics by a readily identifiable route, I was helped by the Library. It told my researcher, Guy L'Etang, that it had done some calculations based on the population of Wales and estimated that approximately—I stress approximately—440,000 people will be deaf or hard of hearing and that of those, 34,000 will have severe hearing difficulties or be profoundly deaf. As there is a disproportionately large number of older people in Wales, we are not entirely sure of those figures, but it is there or thereabouts, which puts the whole situation in proportion. What responsibilities is it envisaged the commissioner will have for certain aspects of provisions for the deaf, particularly in respect of interpreters? I hope that both English and Welsh language interpreters are covered. That leads me to my next question for the Minister. What arrangements will be in place and what influence will the commissioner have in ensuring that, in respect of lip speakers, deaf-blind interpreters and deaf interpreters, both languages are used in Wales? Dealing with the bilingual situation could be extremely important.

British sign language was officially recognised as a British language in 2003, but there is no one national list of qualified professionals who work for deaf people. That can result in deaf people waiting for communications support to be sourced and in unqualified people being supplied to provide communications. I have an excellent qualified professional in my constituency, Diana Smith,

[Mrs. Cheryl Gillan]

who is particularly concerned about these matters in England, so it seems apposite to raise them in relation to Wales. Could the commissioner establish a single register of language service professionals for deaf people, including providers of British sign language, English interpreters, lip speakers, deaf-blind interpreters and deaf interpreters? I also wonder whether it is within the commissioner's powers to encourage the institutions to protect by law the professional title of those who are qualified to work as language service professionals for all deaf people. I appreciate the fact that those are detailed questions, and if the Minister cannot come up with the answers now, I am quite willing to let him write to me with any information that he may have.

I should like to know what powers the commissioner can take with regard to the Home Office and the police. In Committee, we established that the commissioner will not have any power that is directly linked to Ministers of the realm. The commissioner will deal with Assembly and devolved matters, as opposed to those that are reserved to this House. That raises a specific issue with disabled people, particularly deaf people: most constabularies in Britain do not hold a list of qualified, security-cleared BSL-English interpreters and lip speakers who can be called to a police station for arrested people who are deaf. The Minister will appreciate that that causes problems. It usually results in deaf detained people being held in custody for many hours without access to communication or representation, and some deaf victims are severely delayed in being able to make their statements to the police.

I understand that such arrangements do not exist in Wales—the problem is widespread in England and Wales—so if those people happen to be elderly, I need to know what influence the commissioner could have over such things, which could be quite crucial to an increasingly large older and deaf population. What are the current arrangements in Wales and what influence will the commissioner have in ensuring that deaf people get equity of access when held by the police under the Police and Criminal Evidence Act 1984, under the Disability Discrimination Act 1995 and under the forthcoming disability equality scheme? At what level of detail will the commissioner have an influence over the rules and regulations or the mode of practice that needs to be operated in our police stations and by our police services throughout Wales? I hope that that deals with the specific situation for older people who have a hearing disability.

Turning to the other matter that I wish to raise under the auspices of the amendment, I was approached by the Guide Dogs for the Blind Association. I believe that the Minister is familiar with the briefing that came from that estimable organisation. It was very pleased to provide a brief to many hon. Members, so I claim no credit for raising these points, other than to say that it seemed apposite to raise them through the medium of the amendment, perhaps to express some of its concerns and to ask questions on its behalf.

The association is very pleased with the Bill. The prevalence of visual impairment increases dramatically with age, as we all know. Indeed, it is only with the aid of the 16-point typeface on my computer that I am able to read the script that is in front of me without the aid of glasses. The Minister obviously relies on glasses. I am told that, at some stage, my eyesight will stop deteriorating, and I am looking forward to that day because it seems to deteriorate daily.

Chris Ruane (Vale of Clwyd) (Lab): Would the hon. Lady like to borrow my glasses?

Mrs. Gillan: No thanks. I appreciate the offer, but I have got big print in front of me.

RNIB Cymru has estimated that there are 100,000 people with serious sight loss in Wales. As the prevalence of visual impairment increases so much with age and as the number of older people in Wales is predicted to increase dramatically over the next few years, it follows that a dramatic increase is likely in the number of visually impaired older people. It is surprising that, despite the ageing population, the standard of rehabilitation services for blind and partially sighted people remains variable in Wales and, indeed, throughout the UK. The Guide Dogs for the Blind Association has said that, in some cases, it is indeed very poor.

There are rehabilitation services for visually impaired people. Rehabilitation training is designed to introduce and maintain a level of independent functioning by enabling blind and partially sighted people to develop the skills that they need to meet their aspirations. Appropriately trained rehabilitation workers play a crucial role.

Independent research has been carried out and shows a far from pleasing picture. The state of rehabilitation service provision for blind and partially sighted people is not good. There is a chronic shortage of rehabilitation workers. Local authorities are not investing in the necessary training and many authorities in Wales do not have adequate or dedicated services. Since 1995, there has been a shift away from local authority spending on services for people with physical and sensory needs. The result is that many blind and partially sighted people are forced to stay in their homes and are unable to go anywhere without a guide, leading to exclusion from work, social and civic life. What influence will the new commissioner have in that area?

The Guide Dogs for the Blind Association has set up a UK-wide rehabilitation project. It has been very inventive and has a Welsh steering group that is set to take forward the objectives of the rehabilitation project group in Wales. It is also working to secure the future of professional training for rehabilitation workers in several educational institutions, but specifically in Cardiff. What influence will the commissioner have in encouraging Cardiff to secure the future of professional training at that university? Will the commission be able to work with the association and the rehabilitation project on the benchmarking report that was commissioned by the Welsh Local Government Association, the Assembly Government and the Wales Council for the Blind? That is an important group which is carrying out a worthwhile exercise. I would like to ensure that the commissioner has the opportunity to work with that group and the Welsh steering group, so that the quality of life of many thousands of blind and partially sighted people in Wales can be improved.

I hope that the Minister will be able to put on the record the fact that the commissioner will be encouraged to look at this area and give it a high priority when he takes up office and establishes the commission. I hope that he will be able to reply to both points that I have raised in relation to the deaf and the blind. I hope also that he will take the amendment in the spirit in which it was tabled. I have no intention of pressing it to a vote; it was intended as a vehicle for the Minister to provide reassurance to people outside the Chamber on those two issues.

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I am grateful for the way in which the hon. Member for Chesham and Amersham (Mrs. Gillan) introduced her amendment. It seeks to provide the commissioner with a general power to keep under review the adequacy and effectiveness of provision for those older people who are disabled. That would be an entirely appropriate function for the commissioner and one that I am happy to reassure the House is already provided for in the Bill. The amendment is therefore not necessary.

Clause 2 enables the commissioner to promote the provision of opportunities for, and the elimination of discrimination against, older people. That would include discrimination against those older people who were disabled. The commissioner's general function to

"promote awareness of the interests of older people in Wales and of the need to safeguard those interests"

and also to

"encourage best practice in the treatment of older people in Wales"

will also support and enable his work in that area. In addition, the commissioner will have powers to review the effect on older people of the discharge of the functions of key bodies, such as the Assembly and local authorities. He will ensure that they fulfil their statutory duties and that they take the needs of disabled older people into account.

5.30 pm

The hon. Lady asked a number of detailed questions, and I shall be more than happy to write to her if I omit some of the issues in my response. She mentioned the discussions that she had had about older people who have hearing problems or who are profoundly deaf, and she asked about statistics. I shall certainly try to find out who, if anyone, keeps such records for Wales, but it is part of the commissioner's remit to establish how many people in Wales suffer from the disabilities to which she referred. I am sure that he will try to access what information is available and, if he is unsuccessful, that he will commission research to determine the relevant figures.

The hon. Lady also raised important issues about a register of signers and lip speakers. She said that profoundly deaf people who had suffered crime or had been arrested for committing a crime often have great difficulty with communication, and that a local police register of those able to assist in such circumstances would help to ensure that deaf people were not detained unnecessarily in police stations. I shall certainly raise the matter with my right hon. Friend the Home Secretary to see what can be done in that respect, with a view to addressing the problem as soon as possible.

The hon. Lady then asked about people who have poor sight or who are blind. I have read the parliamentary brief from the Guide Dogs for the Blind Association, which raises some important issues. The association wants to know whether the commissioner will be able to look into the adequacy of rehabilitation services for visually impaired older people, and the answer is yes. For instance, he could review the processes adopted by a local authority to assess the needs of visually impaired older people, or review how it discharges its training functions in respect of those who provide rehabilitation services. Incidentally, the commissioner will be able to do the same for people with hearing difficulties.

The commissioner's other functions include undertaking research into rehabilitation services for visually impaired older people. He will also examine individual cases, and publish a report with recommendations about each. I hope that that reassures the hon. Lady that the commissioner will have the power to carry out investigations of that nature. I am sure that he will work closely with organisations such as the Royal National Institute of the Blind, the Royal National Institute for Deaf People and the Guide Dogs for the Blind Association. They will raise issues with him on behalf of disabled older people, and draw his attention to any shortcomings that they identify.

I hope that the hon. Lady will agree that the Bill already deals with the subject of the amendment. The amendment is therefore not necessary, and I ask her to withdraw it.

Mrs. Gillan: I am grateful to the Minister for his response, and I look forward to receiving more detail on certain matters in writing. However, I remain concerned that the commissioner may not be able to influence the availability of signers and interpreters in police forces, given that his responsibilities are so clearly linked to matters that have been devolved to the Assembly. The Minister knows that I am concerned about what will happen in practice, and about whether the commissioner will be able truly to represent the interests of older people where they cut across into other areas for which it is not anticipated he will have responsibility. I hope that, by drawing attention to that issue in this fashion and by continually reinforcing my fears, I have at least ensured that the commissioner, in establishing the office, can look back on these debates and know that there is the will to address the problems that he or she will face.

I look forward to hearing further from the Minister, particularly on Home Office matters, but I am very willing to beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 9

RESEARCH AND EDUCATIONAL ACTIVITIES

Mr. Greg Knight (East Yorkshire) (Con): I beg to move amendment No. 2, in page 6, line 25, at end insert—

'But no assistance shall be given for research or for educational activities to any political party or to any person, group or body that is engaged in political lobbying nor for any research whose aim or purpose either runs contrary to or is likely to undermine the existing policy of the Assembly.'.

[Mr. Greg Knight]

The purpose of the amendment is to limit the scope of clause 9, which relates to giving assistance for research or education, so that research or educational activities cannot relate to any political party or person who is engaged in political lobbying, or to any aim or purpose that runs contrary to the policy of the Assembly, or which is likely to undermine it.

In general, I applaud what the Government are doing. I support the Bill's thrust and it is no intention of mine to seek to wreck this measure. I wish to tease out of the Minister whether the Bill needs further improvement, which, in essence, is why I have tabled the amendment.

I want the commissioner to be a champion for older people in Wales, and it is clear that his role should include the ability to ensure that all older people can access their legal rights. I understand that, in that context, research and educational activities should be supported, but the commissioner should not become an innovating trailblazer. He should not introduce new policy initiatives and, in effect, usurp the duties and responsibilities of the Assembly and its democratically elected Members. One would hope that a good commissioner would appreciate and understand that, without having to have these limitations imposed in writing in the Bill.

However, for the avoidance of all doubt, it is appropriate that Parliament should say that it expects the commissioner's role to be above party politics and outside the world of professional lobbyists, and certainly that he or she should not be in cahoots with any political faction or party. That is why I tabled the amendment. The commissioner should work with, and be seen to be working with, the Assembly and should not use the powers in clause 9 to undermine—intentionally or unintentionally—the Assembly's policies. Therefore, the reason for the amendment is caution. Its purpose is to make it clear that there should be respect for the democratic process that elects Assembly Members, and to express my concern at the possible abuse of this power and the accompanying waste of public money.

I hope that the Minister agrees with those aims. He might be able to tell the House that the caution that I have expressed can be dealt with in other ways, such as through the commissioner's terms of service or by making sure that his functions are clearly set out and that the research must relate only to those functions. I do not mind how those aims are achieved; if there is another vehicle for achieving them other than the amendment, I will gladly not push it to a vote. I hope that the Minister can accept the aims that I have identified and tell me how they will be delivered.

Mark Williams (Ceredigion) (LD): We very much welcome the addition of clause 9 to the Bill in the other place. It has been widely welcomed.

The amendment raises a valid concern, although it goes very much against the grain of our debates on Second Reading and in Committee on protecting the commissioner's independence. Whether it is a probing amendment or a matter that may be carried further, it raises a valid point on how we ensure that the dividing line between legitimate lobbying groups, such as Age Concern Cymru and Help the Aged Cymru, and the commissioner is taken into consideration. How does the Minister envisage the commissioner working with groups such as those to protect the commissioner's independence?

Adam Price (Carmarthen, East and Dinefwr) (PC): I welcome the interest shown by the right hon. Member for East Yorkshire (Mr. Knight) in the effective working of the Bill. Despite my fears about the growing one-party state that we may or may not have in Wales, I cannot imagine circumstances in which a commissioner would sensibly commission research from the Labour party research department. The Conservative party, of course, appears no longer to have a research department, following the announcement a few days ago. I understand the intention behind the amendment and will be interested to hear what the Minister has to say.

I offer a little caution, however. I am not sure whether the amendment, in seeking to ensure the independence of the commissioner, might not actually lead to the commissioner being somewhat circumscribed in his ability to look legitimately not at areas of policy debate—which, as the right hon. Gentleman said, is clearly and rightly the remit of the elected members of the National Assembly—but at grey areas between policy and delivery and how a policy is carried out or what model of delivery is used. Those are legitimate areas where the commissioner could commission research and create a debate, which would of course eventually be resolved by the elected representatives in the National Assembly. I understand the intention, but I am not sure that the amendment would not lead us down a road that would create additional problems.

Mrs. Gillan: Although my name is not attached to the amendment, I shall be interested to hear what the Minister has to say. Both in this Bill and in the Government of Wales Bill there are widely drawn powers of patronage and financial assistance that, in this case, the commissioner—the Assembly Ministers in the case of the Government of Wales Bill—can use to disburse funds to any organisation and to anybody at any time. The amendment strikes me as sensible in ensuring that we have a discussion because yesterday, in discussion of the Government of Wales Bill, a piece of Labour-sponsored, Labour-bought research from the Bevan Foundation was prayed in aid to support it. It is not, then, outwith the possibilities that individuals in Wales, which certainly is not going to remain a one-party state for any length of time, could commission materials for political purposes. For example, the commissioner could ask the Labour party research department or researchers to produce information on older people as members of the Labour party itself. We would not want to see funds flowing from the taxpayer into the back pocket of the Labour party in that sense. The Minister's response will be interesting.

I am glad that my right hon. Friend the Member for East Yorkshire (Mr. Knight), who takes a great interest in these matters, tabled the amendment so that the Minister can give us his full interpretation of the clause. The Opposition always try to work constructively and if the amendment can improve the legislation I shall be only too happy if the Minister adopts it, or proposes one of his own, to ensure that we have the right protection for taxpayers' money.

5.45 pm

Nick Ainger: The amendment would restrict the commissioner's ability to provide assistance for undertaking research or educational activities in circumstances where the resultant research or education might challenge the policies of the Assembly Government or involve the commissioner in supporting political lobbying.

We cannot accept the amendment. We are clear about the necessity for the commissioner to be independent of the Assembly Government, and for him to be able to exercise his functions without being constrained in the way proposed—the point to which the hon. Member for Carmarthen, East and Dinefwr (Adam Price) referred. It will, therefore, be for the commissioner to act as he thinks appropriate and to defend his actions, if necessary, consistent with his powers.

By establishing the commissioner, the Government and the Assembly seek to raise standards and to ensure that a wide range of public bodies, the Assembly included, work to respond to the wishes and needs of older people in Wales. It is thus imperative that the policy and operational decisions of the Assembly Government can be challenged by the commissioner if he considers that they are not in the interests of older people in Wales. For instance, the commissioner might want to review the Assembly Government's discharge of their functions in a particular matter, or review the adequacy of legislation they have made. He might want to suggest an alternative policy objective in a particular area by means of a representation on the subject. The ability to undertake or commission research and educational activities will be an important tool in enabling him or her to do that.

The commissioner will be able to fund research or educational activities only in support of his other functions in the Bill and in the interests of older people in Wales. Funding of party political activities would clearly fall outside the commissioner's remit.

Restricting the commissioner's ability to fund research undertaken by bodies that are also engaged in "political lobbying" is, we think, a step too far.

In our debate on amendment No. 1, we talked about the involvement of organisations such as the Royal National Institute of the Blind and the Guide Dogs for the Blind Association, and I am sure that Members would not want the commissioner to be precluded from providing funding to respected bodies, such as Help the Aged or Guide Dogs for the Blind, to undertake a research project simply because they also engage in lobbying the Government and the Assembly Government about policies they consider would benefit older people in Wales.

David T.C. Davies (Monmouth) (Con): No one would want research of that nature restricted, but the amendment is not about restricting or preventing research; it is about making sure that the rules for conducting research are open and transparent.

Nick Ainger: Absolutely. In our debates, nobody has questioned the fact that the commissioner should be open and transparent. The commissioner should be independent both of any political influence and of the Assembly as a whole, and should be able to commission research that he or she feels necessary to work as a champion for older people in Wales.

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): Does the Minister think it legitimate for an unelected commissioner to campaign against policy priorities set by democratically elected politicians, as, for example, the Children's Commissioner is campaigning against antisocial behaviour orders, saying that they are ineffective and inappropriate for under-18-year-olds in Wales?

Nick Ainger: I am not sure that it is fair to characterise the Children's Commissioner as campaigning against—

Mr. Crabb *rose—*

Nick Ainger: Let me finish the point. I am not sure that it is fair to characterise the Children's Commissioner as campaigning against antisocial behaviour orders in general. I have seen some of the comments that have been made. They are certainly not a blanket rejection of the concept of antisocial behaviour orders. The commissioner takes the view that those should be a last resort. I do not recognise that as a campaign against antisocial behaviour orders. Does the hon. Gentleman still wish to intervene?

Mr. Crabb *indicated dissent.*

Nick Ainger: I think that I have covered the point that the hon. Member for Ceredigion (Mark Williams) raised. A number of organisations will have already carried out research, including Help the Aged, Age Concern and charities that look after the interests of disabled people. The fear is that if the amendment were accepted, the commissioner would be precluded from asking those organisations, which are effective lobbyists of Government at all levels, for help and information.

It needs to be emphasised that the commissioner is there to do a clear job: to scrutinise the work of local authorities and the Assembly. The fear is that the amendment could constrain him from doing that work. Therefore, I ask the right hon. Member for East Yorkshire (Mr. Knight), although I understand his concern and the need to throw some light on the issue, to withdraw the amendment.

Mr. Greg Knight: We have had an interesting debate. I assure the hon. Member for Carmarthen, East and Dinefwr (Adam Price) that my interest in Wales is of long standing, although, because of my other duties, regrettably it has been intermittent.

This issue involves a fine balance. I am not entirely convinced by what the Minister has said, but I accept that there is some force in his argument that one does not want to over-fetter the commissioner, particularly if he uncovers something that he regards as in serious need of addressing which the Assembly is not addressing and he wants to devote some research to it. I see the other side of the coin.

Conservative Members will keep an eye on the issue and on what the commissioner gets up to. If we feel at any stage that he is exceeding his remit or using the powers unfairly or unreasonably, I promise that we will be back on this very issue. With that indication, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 13

POWER OF ENTRY AND OF INTERVIEWING

Mr. Greg Knight: I beg to move amendment No. 3, in page 8, line 25, at end insert 'with or without notice.'.

This is in essence a probing amendment that is aimed at teasing out from the Minister exactly how he sees the commissioner exercising his powers. Of course, all interviews with older people should be conducted with sensitivity and compassion. Such interviews should always be with the consent of the older person, as the Bill recognises. In addition, if that older person wishes someone else to be present when an interview is taking place, that request should be accommodated.

The timing of a visit is important, too. The Bill accepts that by saying that a visit should always take place at a reasonable time. I hope that that is a subjective test, so that it is a reasonable time for the older person, not a young member of the commissioner's staff. However, I fear that there are cases in which it is inappropriate to provide notice of a visit. There is a risk that before a visit an older person will be subject to duress by someone who does not want a complaint to be pursued. That person may put pressure on them and instruct them not to say anything during a visit, because they do not want them to rock the boat. Such arm twisting may occur and, in some cases, there may be more serious threats or unpleasant reprisals if the older person speaks out.

The commissioner should have the power to arrive unannounced if he deems it appropriate to do so. As I said, the Bill acknowledges that the older person can refuse a visit, but the amendment would prevent someone of less than benign intent from having the opportunity to bamboozle them or subject them to duress before a visit. En passant, new clause 1 has not been selected because I failed to table it in time, but its powers go wider than the amendment as there is an even stronger case for the commissioner to make an unannounced visit when premises are being inspected. We all know the story of the hospital that is to be visited by the Queen—it gets a lick of paint and everything is perfect on the day before it goes back to the way in which it usually operates. Similarly, that happens with organisations and establishments that look after older people. If they know that a VIP is coming, they change things for the duration of the visit. The commissioner should have power across the board to make unannounced visits. If the Minister does not accept the amendment, I hope that he envisages that the commissioner will have those powers in any event.

Nick Ainger: The amendment seeks to make explicit the provision that the commissioner, or someone authorised by him, may enter premises to interview an older person either with or without notice. It is not necessary, because the Bill already allows the commissioner flexibility in the matter. We accept that there may be occasions on which, because of the nature of the concerns or allegations about which the commissioner wishes to interview an older person, he wishes make an unannounced visit. The right hon. Member for East Yorkshire (Mr. Knight) failed to table new clause 1 in time, but he alluded to the need to give the commissioner greater powers on entry and inspection. It is not appropriate to give powers for entry and inspection to the commissioner, as that is the responsibility of the Care Standards Inspectorate for Wales. If a complaint was received by the commissioner and an older person was at risk, he would immediately contact the inspectorate and, depending on the nature of the threat, police and social services, which have the necessary power of entry. It is for those authorities to make an unannounced visit to investigate the complaint.

Mr. Knight: The Minister said that the powers were already in the Bill. Does he mean that they are written into the Bill, and if so, could he direct the House to where they are, or does he mean that he envisages the powers being included in some regulations or rules that are to be introduced?

Nick Ainger: I am assured that the powers are in the Bill. I cannot direct the right hon. Gentleman to the exact clause, but the commissioner has the power to enter premises—not private premises, but premises where care is provided, and so on—[*Interruption.*] I am advised that the relevant clause is clause 13. I should have read on in my notes. Clause 13 places no requirement on the commissioner to give notice of his intention to enter to interview, but leaves that to his discretion depending on the circumstances.

6 pm

Mr. David Jones (Clwyd, West) (Con): I take the Minister's point. I was concerned about the amendment tabled by my right hon. Friend the Member for East Yorkshire (Mr. Knight) because it seemed to me that that was properly the purview of the Care Standards Inspectorate. The Minister will recall that on Second Reading I raised the matter with him. It seems to me that, to a large extent, in this area the powers of the commissioner cut across those of the Care Standards Inspectorate. Is it therefore anticipated that the rules that will be made governing the activities of the commissioner with clarify his relationship with the Care Standards Inspectorate?

Nick Ainger: There are two distinct roles. If there is a complaint by an older person in a care home about the conditions, the care that he or she has been receiving or poor standards in the home, or an allegation of elder abuse, that complaint may initially go to the commissioner, but I should have thought that if it is an issue of abuse, the police should be involved. If the complaint is about the standard of care or the quality of the home, that should be addressed immediately by the Care Standards Inspectorate. The interview that we are discussing relates to a wider complaint that may be made by an older person. I do not think there is a blurring of powers. With that explanation, I ask the right hon. Member for East Yorkshire kindly to withdraw his amendment.

Mr. Knight: The Minister referred me to clause 13, but that is silent on whether the power of entry or of interviewing may be exercised with or without notice, so I can only conclude that he is saying that the silence gives consent. I accept his interpretation.

My concern is that duress is an easy weapon to use on people—not physical duress particularly, but mental duress. I have seen it all too often in cases that were brought before me when I used to practise law, and anything that we can do to stamp it out should have support from every corner of the House. I am therefore pleased that the commissioner will have the power to enter premises other than a private home without giving notice. Without such a power, he would not be able to fulfil his job properly. On the basis of the reassurances that the Minister has given us today—

Mr. Christopher Chope (Christchurch) (Con): Before my right hon. Friend gets carried away with his rhetoric about how wonderful the provision is, does he accept that it is confined to the power to enter premises for the specific purpose of interviewing somebody in those premises, not to carry out a general investigation?

Mr. Knight: I accept entirely what my hon. Friend says, but a full-blown investigation may often start from evidence that is given in a one-to-one interview. That is why it is important that when an interview takes place, the older person is willing and able to tell the truth without fear of any reprisals. Today, the Minister has assured us that the Bill allows the commissioner to do so without my amendment, and I am prepared to take him at his word.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Order for Third Reading read.

6.4 pm

Nick Ainger: I beg to move, That the Bill be now read the Third time.

The Bill received its Second Reading on 15 June, and it was considered in Standing Committee on 27 June. It is a groundbreaking piece of legislation that enables the National Assembly to set up an independent champion for older people, who will play a vital role in addressing ageism and discrimination against older people.

As my right hon. Friend the Secretary of State for Wales noted in opening the debate on Second Reading, the position will be the first of its kind in the UK and, indeed, possibly the world. The Bill is another milestone in our commitment to older people in Wales. The commissioner will be able to speak up on behalf of older people in Wales, helping to raise their profile and increase awareness of their needs.

The policy originated with older people themselves and their representatives, and it is firmly evidence-based. The report of the Assembly Government's expert advisory group, "When I'm 64...and more", recommended the establishment of a commissioner for older people. The policy became a key commitment in the Welsh Labour manifesto for the 2003 Assembly elections. The draft Commissioner for Older People (Wales) Bill was published in March last year and distributed to more than 2,000 stakeholders across Wales. The responses again demonstrated that there is a great deal of support for the proposals, with no fewer than 94 per cent. of respondents in favour of the establishment of the commissioner.

The draft Bill was also considered and debated by the Assembly's Health and Social Services Committee and in a full plenary session, where the motion to welcome the Bill and endorse the commitment to establish a commissioner was overwhelmingly supported. My predecessor as Under-Secretary, my hon. Friend the Member for Islwyn (Mr. Touhig), gave evidence to the Welsh Affairs Committee on the draft Bill, and I thank him for his role in bringing the legislation to fruition.

The Bill was introduced in the other place, where it underwent detailed scrutiny and was subject to amendment. Those changes were made for four main reasons: first, to take account of views expressed in the public consultation process; secondly, to clarify the arrangements for working jointly with other commissioners and ombudsmen; thirdly, to clarify the commissioner's role in cross-border matters; and finally, to provide for the commissioner to establish an internal complaints procedure, as a matter of good public administration.

The rigorous debate that the Bill received in the other place, combined with the amendments that we have introduced to strengthen and clarify the legislation, have stood us in excellent stead for our debates in this House. Both sides of the House have adopted a positive and constructive approach to the Bill, and I am extremely grateful to all hon. Members who have participated.

The Bill was debated thoroughly in Committee. The discussion covered a wide range of issues, often in some detail. There was a high degree of consensus, and I am grateful to hon. Members for the spirit in which the debate was conducted. I also thank my hon. Friend the Member for Burton (Mrs. Dean) and the hon. Member for Caernarfon (Mr Hywel Williams) for the professional way in which they chaired the Standing Committee. It is a testament to their wise and skilful chairmanship, and to the constructive and concise contributions by Committee members on both sides, that consideration of the Bill was concluded in less than two sittings.

Opposition Members tabled a number of amendments, many of which were of a probing nature, where the intentions behind the Bill were explored to—I believe—the satisfaction of the Committee.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The Minister knows that innovative Welsh legislation is sometimes imitated in England—I am thinking of the Children's Commissioner. However, I am not entirely light-hearted, because one of my constituents was removed to a home in England, and there were accusations that it might have been under duress. I have found it difficult to take that issue forward, and, as I understand it, the Welsh commissioner for older people would not be able to intervene on behalf of a Welsh person in English home.

Nick Ainger: That is not correct. The commissioner will certainly be able to intervene in relation to the local authority, the NHS, or whoever was in charge of commissioning the care for that individual. They will be able to investigate the circumstances surrounding the decision, although they would not be able to gain entry to the care home or hospital to which the hon. Gentleman's constituent was moved.

The Bill will deliver a true champion for older people in Wales who will speak up on their behalf and work to ensure that older people themselves can influence the way in which important public services are managed and delivered. I commend the Bill to the House.

6.10 pm

Mrs. Gillan: I am pleased that we have reached Third Reading. I am grateful to the Minister for his kind comments on the conduct of its passage through the House, although I have to say that it has taken an awfully long time from start to finish. Its gestation period has been incredible—it started in another place on 25 May 2005 and it has taken some 14 months to reach this stage. That is an almost unprecedented length of time for an uncontentious Bill to take to go through this House. I know that the Secretary of State is somewhat preoccupied with getting Royal Assent for the Government of Wales Bill, but had he paid a little more attention to the passage of Bills such as this, he could perhaps have timetabled his business in the Wales Office in a more relaxed fashion that would have avoided him getting so hysterical about the closing stages of the Government of Wales Bill. However, I am pleased that we have reached this stage with this Bill and that it will shortly go for Royal Assent.

We live in an ageing society in which, for the first time, there are more people over 60 than children under 16. The diversity in our society is more clearly reflected in the older generation as, for example, the first generation of the immigrants of the '50s are making up greater proportions of the over-60s. The demands from our ageing society are constantly changing in terms of the quantity and quality of services required. The independence and well-being of these members of our society is of paramount importance as the increasing impact on public services and access to them present ever greater challenges to us throughout the country. As a country, we need to respond to those matters. That was succinctly put in the Audit Commission report, "Older People—Independence and Well-being: The Challenge for Public Services" in 2004, which states:

> "Either our countries will make decisions about adapting to our ageing societies, or these decisions will be made for us by the sheer force of demographics and economics. It becomes a question of whether we will manage change, or whether change will manage us."

The Bill is an attempt to manage that change. As such, I am pleased to have joined Members from both sides of the House, and in the other place, in giving it a broad welcome. A commissioner for older people will be an important development for Wales.

Wales has a growing concentration of older people compared with the rest of the United Kingdom. Just over 22 per cent. of people in Wales—some 600,000 people—are over 60. Establishing the commissioner's office will play a significant role in ensuring that the concerns and needs of older people will be heard and recognised and that more can be achieved with regard to offering the opportunities, services and assistance that they require. The commissioner will play a vital role in increasing awareness of the needs of older people and in raising standards.

It is clear that older people in Wales and across the UK face many difficulties—poor housing, poor employment opportunities and insufficient transport services, to name but a few. There are also problems to do with poor nutrition and health and with access to care facilities. The commissioner offers an opportunity to make a difference and to improve lives across Wales, and that in itself must be welcomed. Indeed, it would be difficult not to welcome the provisions that will now go on to the statute book.

However, I believe that it is important not to have excessive expectations of what the commissioner and the office of the commissioner can achieve. Furthermore, it is important to establish that the commissioner works alongside Assembly Members and does not simply get saddled with responsibilities that Ministers should discharge in the Assembly on behalf of the people of Wales.

I am delighted that the commissioner will be available to champion the interests of older people, but that must be in addition to Ministers' roles in doing the same thing. As some of my amendments showed, I believe that we must ensure that the commissioner's duty includes keeping under review the adequacy and effectiveness of provision for disabled older people. It is important for the commissioner to have influence over the provisions available for disabled people, given that that can pose sizeable problems for older people. Disability clearly adds to the difficulties that an individual faces and it should therefore be in the commissioner's remit to tackle such issues. I was pleased with the Under-Secretary's response earlier in the debate.

As has been discussed, the commissioner's functions will be confined to devolved matters. For me, that raises significant worries because it means that the commissioner cannot formally intervene in numerous aspects of life that specifically concern older people. Pensions and crime are key examples. The commissioner could not respond to the Turner commission's recommendations and will be cut off from parts of Government policy, the implementation of which causes some of the greatest difficulty for people throughout Wales.

That poses the question whether the commissioner can tackle the issues and problems that most affect older people. I still have a fear that the limitations on the commissioner's general functions may seriously handicap attempts to discharge those functions as fully as possible and leave him or her toothless in some important matters. That is a significant weakness in the Bill.

The Government should have considered formalising the route whereby the commissioner could approach UK Ministers. The Under-Secretary did not answer the question of how the commissioner could obtain genuine representational opportunities about non-devolved issues. As a result of that limitation, we must be realistic about what the commissioner can achieve.

I continue to be worried about the way in which the commissioner will be funded. The Under-Secretary appreciates my reservations on the matter because the commissioner will be paid from ministerial budgets. I question whether it is right that an individual whose role is to scrutinise the actions of Assembly Ministers should have his or her salary paid by the people whom he or she could be examining. There is a question mark over the potential effect on the commissioner's independence and impartiality, which is of paramount importance.

Having said that, I support the Bill, but not uncritically. I have sought to raise several questions that the measure poses. Some have been answered to my satisfaction but others remain unanswered. We must wait and see how, in its practical application, the office of the commissioner pans out.

I am glad that we have had the opportunity to scrutinise the Bill thoroughly but I am saddened that the Government of Wales Bill, when it receives Royal Assent, will deny us the opportunity for such scrutiny in future. I join the Under-Secretary in thanking all hon. Members who took part in scrutinising the Bill. I also thank those who chaired our proceedings. I thank the Under-Secretary for his courtesy in the letters that he sent me during the Bill's passage. I hope that the measure will be used to best effect and provide great benefits for the people of Wales.

6.19 pm

Mark Williams: My hon. Friend the Member for Brecon and Radnorshire (Mr. Williams) signalled on Second Reading that the Liberal Democrats would support the Bill, and I can confirm that we continue to do so. This has been an invaluable opportunity to explore the ways in which the interests of older people are represented and protected in Wales. The figures speak volumes, with 20 per cent. of the population in Wales being over pensionable age, compared with the UK average of 18 per cent. In my own constituency, 25 per cent. of the people would fall within the remit of the commissioner. In that context, the establishment of that role is very welcome.

The eager and enthusiastic language that we have used to describe the provisions has included terms such as "pioneering", "trailblazing" and "a champion", and I share the optimism and enthusiasm for the measure that many hon. Members have expressed. I also share some of the concerns that the hon. Member for Chesham and Amersham (Mrs. Gillan) has just expressed, however. There is real concern about the limitations of the commissioner's role, for example. In Committee, the Liberal Democrats argued the case for a strengthened role for the commissioner, and for his or her powers to extend far beyond those proposed in the Bill.

In a Wales-only setting, the commissioner's powers come close to those that we would like to see. The commissioner will be able to investigate and make recommendations on the practices of local health boards, local authorities, further and higher education establishments, and many other important groups. He or she will also have the power to investigate individual cases in those areas. Although we would have given the commissioner greater powers of enforcement, the important point is that he will be able to interact directly with those bodies and to act as a real force for positive change, eliminating discrimination and malpractice.

There are areas in which we would have strengthened the commissioner's powers further, even in a non-devolved setting. We tabled amendments to give the commissioner greater powers to stop elder abuse. We also argued that an investigated body should be required to give a response to the commissioner within six months. Our debates in Committee were quite repetitive, in that amendments kept being tabled on the same theme. Here we come to the crux of the debate. The theme was that the commissioner must be able to make a real difference to the lives of older people. To do that, that person will require a sufficiently broad remit, and sufficiently tough powers, in every area that affects those whose interests he looks after.

The Bill is not particularly different from the one that we saw on Second Reading, in that it still outlines proposals for a commissioner with two dramatically different spheres of influence. The commissioner's powers in relation to reserved matters are markedly weaker, in that he or she will not have the power to require UK Government Departments to respond directly on non-devolved matters. Pensions, benefits and employment are all reserved matters, and we know from our surgeries that they are also some of the most important issues for our older people. Citizens Advice has told us that 80 per cent. of the cases that it deals with are connected with pensions and tax credits, yet the Bill still leaves the commissioner virtually impotent in those key areas.

Any member of the public can write to a Minister, but the commissioner will be prohibited from doing so in his official capacity. If an older person comes to the commissioner to complain about the administration of his pension, for instance, the commissioner will be unable to make representations to the relevant Minister at UK level. Nor will he have the power to summon witnesses and examine documents from the Department for Work and Pensions or Jobcentre Plus. Any recommendations that he makes will have to be made in general terms, and will have to get through two sets of gatekeepers, the Assembly and the Secretary of State, who will have no statutory obligation to respond. The fundamental issue is the accessibility of the commissioner to our constituents. Sadly, the Bill fails on that level.

The role of the Children's Commissioner, which was established through a laudable piece of legislation, has often been cited as an example in our discussions. When the Children's Commissioner appeared before the Welsh Affairs Committee on 22 April 2004, he said:

> "I do not have my strongest powers in the area of non-devolved matters. I cannot require documentation to be given to me. I cannot require the attendance of witnesses to give evidence on oath if I am conducting an inquiry. From the point of view of being the most powerful children's champion possible, it would be good from my perspective if the current Children Bill were amended to extend my powers over those matters".

The experience of the children's commissioner speaks volumes about what we have been trying to achieve during the passage of the Bill, and we may have to return to those matters in future. I hope that some of them will be addressed in the memorandum of understanding between the Assembly and the newly appointed commissioner. The appointment will be made soon, in 2007, which is to be welcomed.

The commissioner's post will be the first of its kind in the world, and has huge potential to enrich people's lives. Despite my scepticism—I do not want to be pessimistic—I support what is in the Bill. The Liberal Democrats wish the commissioner every success, and we sincerely hope that, through the Bill, the Government have given him the tools that he needs to do an effective job and, above all, to provide the accessibility to respond to our constituents' demands.

Question put and agreed to.

Bill accordingly read the Third time, and passed, without amendment.

PETITIONS

Safer Stations

6.26 pm

Ms Dawn Butler (Brent, South) (Lab): I wish to present a petition on behalf of 5,000 individuals who are concerned about security at railway stations. At present, too few stations are staffed during the hours of operation, and many have inadequate CCTV or even help points. Too few have functioning ticket barriers during the hours of operation. The petitioners call on the rail companies to recognise their responsibility for passenger safety and to put people before profits.

The petition states:

To the House of Commons,

The Petition of London residents declares that many overland rail stations in London are not properly staffed at night.

The Petitioners therefore request that the House of Commons urge the Government to ensure that all overland rail stations are property staffed during the whole of their hours of operation after dark.

And the Petitioners remain, etc.

To lie upon the Table.

Wildlife Crime

6.27 pm

Mr. David Kidney (Stafford) (Lab): I wish to present a petition to the House calling on Parliament and Government to reduce wildlife crime. The petition is organised by my constituent, the brave and indefatigable Faye Burton, who is also organiser of the rural policing liaison group. It has 1,274 signatures.

The petition states:

Your Petitioners pray that your honourable House will urge the Government to ensure that:

Judicial sentences reflect the serious nature of all wildlife crime…

All wildlife crime is entered into a nationwide database that enables the sharing of information

All police forces appoint a full-time wildlife officer to police wildlife crime

And the Petitioners remain, etc.

To lie upon the Table.

Disabled Parking

6.28 pm

Mr. Andrew Pelling (Croydon, Central) (Con): I am pleased to present a petition organised by Disability Croydon and Mr. Alwyn D'Costa regarding the need for a unified blue badge parking scheme.

The petition states:

The Petition declares that the existing Blue Badge scheme has too many exemptions and variations making it difficult for disabled drivers to know the validity of their Badge when parking in certain parts of the country.

The Petitioners therefore request that the House of Commons vote to introduce a unified Blue Badge disabled parking scheme that covers the whole of England and Wales.

And the Petitioners remain, etc.

To lie upon the Table.

Halton Hospital

6.29 pm

Mr. Mike Hall (Weaver Vale) (Lab): Earlier this afternoon, several constituents of mine and of the Under-Secretary of State for Transport, my hon. Friend the Member for Halton (Derek Twigg), came to Parliament to pass me a petition expressing their concerns about the proposed transfer of in-patient activity from Halton hospital. The petition is signed by Mrs. Pauline Warrener and 23,000 other people.

The petition states:

To the House of Commons

The Petition of the residents of Halton and others

Declares that North Cheshire Hospitals Trust are proposing to transfer all in-patient activity from Halton General Hospital that will result in 5 wards being transferred from Halton General Hospital to Warrington General Hospital and these proposals are causing great concern to the people of Runcorn,

The Petitioners therefore request that the House of Commons urge the Government to ensure North Cheshire Hospital Trust retains in-patient admission to Halton General Hospital.

And the Petitioners remain, etc.

To lie upon the Table.

Pedestrian Crossings

6.29 pm

Ms Celia Barlow (Hove) (Lab): I wish to present a petition in the name of my constituent Ms Polly Strauss of Wolstonbury road in Hove. The petition was signed by 802 of my constituents. I entirely agree with the terms of the petition, which calls for safe pedestrian crossings at the junction of the Old Shoreham road and Dyke road in Hove. The junction is next to Brighton, Hove and Sussex sixth form college, and a safer flow of traffic would also benefit the students who must use the crossing every day.

Although there has recently been some progress locally, I still believe that the local campaign deserves to be presented to the House. The petition states

The Petition of BHASVIC Lights Action Group,

Declares that there is a need for a traffic free phase at the junction of the Old Shoreham Road and Dyke Road in Hove, East Sussex, in the interests of the safety of the thousand or more pedestrians who use the junction each day.

The Petitioners therefore request that the House of Commons urge the Government to take action to encourage the local council to undertake the adaptation of this crossing to facilitate the passage of pedestrians, and not prioritise ease of traffic flow over the safety of pedestrians.

And the Petitioners remain, etc.

I concur, and I am happy to present the petition to the House.

To lie upon the Table.

Radioactive Waste Management

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

6.31 pm

Mr. Jamie Reed (Copeland) (Lab): The issue of long-term management of long-lived and highly active radioactive wastes in the UK, although by no means neglected, has been in a vacuum since 1997.

Let me make clear from the outset that this debate was not prompted by the recently published energy review and the overdue recognition of the essential role that nuclear energy has to play as part of a balanced and secure energy policy. The issue of radioactive waste management policy was not made more urgent by the outcome of the energy review; it was already a pressing issue in need of swift resolution. Attempts to link new nuclear generation with the current lack of a long-term disposal route for radioactive wastes are disingenuous and confused. Whether or not new nuclear reactors are built in this country, we urgently need a policy solution for the long-term management of radioactive waste.

Given that more than 60 per cent. of the nation's radioactive wastes currently reside in my constituency, my constituents and I have a clear and undeniable interest in this policy area, and I believe that our opinions should be listened to first and foremost in emerging policy discussions. That is morally right, for no other part of the United Kingdom takes a more keen or detailed interest in these issues than the residents of Copeland.

Copeland's unique interest is illustrated by figures relating to current radioactive waste volumes and expected future volumes as a result of decommissioning. The latest available figures for waste volumes in the UK are from 2004. Nationally, there are 1,890 cu m of high-level waste, 82,500 cu m of intermediate-level waste and 20,900 cu m of low-level waste. Prior to 2004, some 960,000 cu m of low-level waste was disposed of at the low-level waste facility near Sellafield in my constituency. Sellafield houses all the high-level waste and approximately 70 per cent. of the intermediate-level waste. The total volume of radioactive waste in the UK, including expected future arisings as a result of decommissioning, is approximately 2,270,000 cu m. Of that, high-level waste will constitute less than 0.1 per cent., intermediate-level waste 9.5 per cent., and low-level waste slightly over 90.4 per cent.

The draft recommendations of the Committee on Radioactive Waste Management include support for a deep geological repository for intermediate-level waste, with the provision of robust interim provision before any repository construction. Intermediate-level waste stores cost between £80 and £100 million. A new one is currently being built at Sellafield, three more will be needed, and as of now a further two will be needed if a repository is not available before 2040. In addition, each reactor site in the UK is currently required to have an intermediate-level waste storage facility during care and maintenance operations.

This is a complex policy area encompassing many social, scientific and environmental issues. Regrettably, those three main strands of any effective policy have often been obscured by organisational issues relating to policy implementation. The Government's establishment of CoWRM was an essential step in the establishment of an appropriate and transparent policy production process.

Importantly, the creation of CoRWM maintained the separation of radioactive waste management policy production and implementation by the same body. Following the publication of CoRWM's final recommendations, my community will clearly expect to enter into a dialogue with the Government, as will other communities with an interest in these issues. Speaking as someone who has worked for and within the nuclear industry and as someone who has worked for Nirex, I have a detailed understanding of the internal workings of the industry, which few, if any, other Members possess.

The Government are the first in our history to confront the policy and funding implications caused to the UK by the nation's civil and military nuclear liabilities. Such engagement was long overdue and the Government should be commended for the clarity and rigour of their treatment of the issue thus far. The establishment of the Nuclear Decommissioning Authority was a brave and necessary step and I am personally proud to be part of a Government who have faced up to their obligations, not only to the taxpayer, but to the environment and to my constituents in this regard. The NDA has proved its commitment to west Cumbria by locating its headquarters there. Although there is still much to be done, including the need to resolve pension issues, the NDA has established itself as a key, trusted community partner, as I hope my hon. Friend the Member for Workington (Tony Cunningham) would agree.

Unlike in the United States, where the Department of Energy sets annual budgets for nuclear decommissioning and clean-up, the NDA has established an enviably robust financial framework through the development of life-cycle baseline plans and near-term work plans for all of its sites. Those plans are designed to deliver cost-effective programmes of work without compromising environmental or safety standards. Indeed, those two qualities are foremost in all its work. They also deliver certainty and enable effective planning and investment—unlike the ad hoc American model, which is not efficient, stable or predictable. In my view, such uncertainty impinges on safe operations.

The NDA's current estimate for the clean-up of the UK's military and civil nuclear liabilities stands at approximately £70 billion. That figure contains some £14 billion used to operate income-generating plants, but does not include the likely costs of the establishment of a repository. The financial modelling is still a work in progress and the NDA is expected by the Government to produce robust costings for decommissioning and clean-up by 2008.

Given that the Government are committed to achieving the best possible value for money from the public purse—a key feature of the forthcoming comprehensive spending review—that is a huge uncertainty to have to carry. The uncertainty is brought about by the lack of a policy relating to final disposal for intermediate and high-level radioactive wastes and it is not good for the taxpayer, for the Government, for the industry or for potential repository host communities.

[Mr. Jamie Reed]

CoRWM is widely expected to report its recommendations to the Government by the end of this month and provided that they follow the already published draft recommendations, the Government should accept them. The process of producing the policy recommendations has necessarily been lengthy and laborious, but given the disastrous mess made by the last Conservative Government and the shocking failure of Nirex, a lengthy and transparent process was, and remains, entirely proper.

While I was thinking of Nirex in preparation for this debate, I was reminded of the great Hunter S. Thompson. Those familiar with his work will know that his excoriating writing illustrates that the truth is more often than not stranger than fiction. The experience of Nirex endured by my community in the mid-1990s was so wretched that I was minded to entitle this debate "Fear and loathing in west Cumbria", for there are few more accurate words with which to describe the reaction that Nirex still provokes in my constituency to this day.

My constituency still bears the scars of its regrettable encounter with Nirex in the 1990s. The arrogance and contempt with which the company treated locally elected representatives will never be forgotten. The imperial way in which it assumed that it was beyond reproach was staggering and the political, social and reputational damage that it brought to the whole of Cumbria was incalculable. Thankfully, the company met its nemesis in the late Bill Minto, OBE, the then leader of Cumbria county council.

At this juncture, I would like to point out that I worked for Nirex for a little over a year before, like many others, being made redundant. Some may mistakenly assume that my attitude to the company is somehow shaped by that experience—[HON. MEMBERS: "No!"]—but that would be naive and insulting. My attitude to the company is informed purely by concerns relating to effective policy implementation. The Government have brought rigour, but so far no real clarity, to that policy area through the establishment of CoRWM. Before such clarity can be established, the Government should act to remove the agencies responsible for preventing it from being achieved because without clarity, successful policy implementation is impossible.

It is my long-held view that the continued existence of Nirex is the principal obstacle to the successful implementation of any radioactive waste management policy in this country. As an organisation, Nirex inspires suspicion and distrust. I can foresee no circumstance in which that organisation can assist in the implementation of radioactive waste management policy. Regrettably, as long as Nirex exists, the issues surrounding radioactive waste management policy in Britain are bound to remain unresolved. As if to prove its unsuitability for its continued existence, the Nirex management team have furiously lobbied MPs for months with regard to their case for its continued existence. I find the prospect of a publicly funded body aggressively lobbying democratically elected legislators not only absurd, but faintly obscene.

Although Nirex insists that it has made serious and concerted attempts to change its behaviour in recent years, it remains a byword for everything that was wrong with the old nuclear industry. Moreover, a covert lobbying programme using public funds is hardly the hallmark of a mature, responsible and transparent organisation. After all these years, the company still believes that the secret to achieving stakeholder respect is to creep and scuttle in the shadows. Any attempt by the company to change its name would invite ridicule and further distrust. There are no options available for Nirex. In my view, time has run out. It must be dissolved if the country is to make progress on this policy of essential environmental importance and intergenerational social justice.

Nirex is not independent; it is jointly owned by the Department for Environment, Food and Rural Affairs and the Department of Trade and Industry. Ninety per cent. of its funding comes from the NDA, with the remainder from the Ministry of Defence. It is even a member of the Nuclear Industry Association. It would appear that old habits clearly die hard. Nor is Nirex a regulator, as the House was correctly told on Monday.

With all that in mind, it must be recognised that Nirex contains a great deal of unique intellectual property. I have had the pleasure of working closely with those people in the past and know that, in the main, they possess impeccable integrity and ability. They have an essential role to play in the nuclear industry, but their attributes are squandered under the stewardship of the Nirex management. They deserve to be allowed to make their contribution to the policy in an environment and an organisation, or organisations, that can properly utilise their skills. That organisation is not and can never be Nirex, so we now need to be clear about ways forward on this policy.

Following the publication of the CoRWM recommendations at the end of this month—I assume—the Government could reasonably consider a number of options to establish an effective implementation body for radioactive waste management policy. The first essential step is the dissolution of Nirex. Then consideration could be given to allocating the skills and abilities of the work force, perhaps across the nuclear installations inspectorate, the Environment Agency, the NDA and perhaps even a successor body to CoRWM. That is, of course, entirely possible, and the Government should consider the fact that a replacement body for Nirex could be established that would be untainted by any association with the successive failures and the management of that company. It might even be the case that, once a volunteer site is found for the repository, the local authority in that area should determine what arrangements and structures should be established. In fact, CoRWM's ninth draft recommendation states:

> "Community involvement should be achieved through the development of a partnership approach, based on an open and equal relationship between the potential host community and those responsible for implementation."

The Minister will know that I have made representations to the Prime Minister and the Secretary of State for Trade and Industry about the establishment of the national nuclear laboratory in my constituency. That, too, would be an ideal structure and environment in which to house the undoubted skills of those experts, and I hope that that will be considered.

This is not the first time—and it might not be the last—that I have requested the dissolution of Nirex on the record. As a member of the Environment, Food and Rural Affairs Committee, I have made that point separately but in public session to both the new Secretary of State for Environment, Food and Rural Affairs and Professor Gordon McKerron, the chair of CoRWM. The comments that I made to Professor McKerron many months ago may well have precipitated the ill-advised lobbying onslaught from Nirex management.

To reiterate, the dissolution of Nirex is an essential first step in successfully implementing future waste management policy. As long as Nirex exists, that will remain an intractable policy issue with no prospect of resolution. The policy has been without meaningful momentum for too long now. Prevarication and procrastination have been its hallmark since the mid-1990s. As a nation, we cannot afford to inject undue haste into the process, but neither can we afford to hide behind short-term political expediency as an excuse for inaction. Clearly, that is better left to the Leader of the Opposition. The truth is that we need action now.

The fact that I have secured this debate today should not be misunderstood. Let me emphasise that I am not volunteering my constituency as a host for a future repository—nothing could be further from the truth—and as long as I have anything to do with it, Nirex will never dig another sod of turf in west Cumbria. The purpose of this debate is twofold: to seek a comprehensive and detailed process that will establish transparency and accountability in radioactive waste management policy production and implementation and to urge the Government to take the necessary decisions now, which will make the resolution of the issue possible. That will be to the benefit of communities with an interest in nuclear issues throughout the country, not simply Copeland. However, given the unique importance of Copeland in this important national policy area, I hope that my hon. Friend the Minister can commit to entering a dialogue with Copeland borough council and me, following the Government's response to the CoRWM recommendations. By way of informing that dialogue, I intend to send my hon. Friend the recently produced draft nuclear policy statement from Copeland borough council, a thorough piece of work and a worthy basis on which to establish future discussions.

So far, the Labour Party in government has shown that it is the only party prepared to take the necessary decisions with regard to the nuclear industry. We know that the other parties do not understand the issues, as they consistently demonstrate with their confused comments. I am proud to belong to a party of government with the courage and intellectual conviction to do what is right in this area. I hope that my hon. Friend the Minister shares my desire to establish clarity in the implementation of future radioactive waste policy sooner rather than later, and I look forward to his response.

6.45 pm

Mr. David Drew (Stroud) (Lab/Co-op): I appreciate the opportunity to say a few words in this debate, and I congratulate my hon. Friend the Member for Copeland (Mr. Reed) on calling it. I have two main points and I hope that my hon. Friend the Minister will be able to respond to them tonight, or perhaps in further discussions.

First, I hear the pleas about Nirex made by my hon. Friend, and I share many of his concerns. However, I also share the concern, which is probably outside the main drift of the debate, about the suggestion that Nirex could be assimilated by the Nuclear Decommissioning Authority. I am not prepared to rule that out, but neither am I prepared to rule it in at the moment. It is unhelpful in advance of CoRWM's final report that we should already have two organisations attacking each other in public, let alone in private. It does not demonstrate that we are dealing with mature organisations working in this vital industry. It also comes on the back of the announcement that we are considering rebuild—something for which my hon. Friend and I, and other hon. Members present, have long argued. The last thing we want is to grab defeat from the jaws of victory because of that unnecessary battle. I look forward to the final CoRWM report. I am sure that it will have something to say about Nirex and about the relationship between it and the NDA. But we should have the report and then the debate, and not make the decision beforehand.

My second point is that at a time when the industry has had the lift of the strong possibility of new build—although we cannot deliver it immediately—it is worrying that only limited numbers of people work in the industry. Their psychology and capacity is vital. I want to be clear that when we get the CoRWM report, we should do whatever we can to retain them, because come what may in terms of the rebuild of the industry, we have to deal with decommissioning. We need to keep people in the industry, and that is why we should stop the obsession with constant restructuring. My hon. Friend will be used to going into Sellafield, as I am used to going into Berkeley, to be told that it is having another reorganisation. I do not know what it is to go into Berkeley without having the staff talk to me about another reorganisation. Usually, however, the reorganisation is more of the same and there is some stability in the industry. In the past two years we have seen nothing but instability, and that is why I am critical of any decisions that have apparently been taken in advance of the CoRWM report.

I shall conclude with the parochial plea that I mentioned earlier. This is a vital time for Berkeley, as there are proposals that it should be used a test case for the full decommissioning of the old Magnox reactors. The Minister will know about those proposals, as will my hon. Friend the Minister for Energy.

Although Berkeley cannot be turned back into a greenfield site, most of the remaining nuclear material would be taken away. However, it is important to understand that the proposals mean that some of the low-level nuclear waste would continue to be stored there. That is worth considering, but we need confusion about how to deal with managing the waste like we need a hole in the head.

My hon. Friend the Member for Copeland mentioned a figure of £70 billion, but much of that is predicated on the belief that it will take a long time to decommission our nuclear industry. That decommissioning must be done safely, but we will gain two advantages if we can show that the technology is capable of delivering it quickly: we will save some money, and we will become

[Mr. David Drew]

the world leader in the field. We will then be able to sell our skills to the nuclear industry around the world, as we have done previously.

I want clarity regarding the fact that the suggestion about the Berkeley station will not be affected by arguments about the management of the nuclear waste stream, and that the CoRWM report will get a proper hearing and not be disadvantaged by noises off.

I hope that the Minister will reassure us that the Government are convinced that this country has a nuclear future. I believe that that is a necessity: we can argue about how much of a role nuclear can play, but there will be no future without it. The Government have turned the corner and accepted that nuclear has a role to play, but I do not want to hear again that we have ended up grabbing defeat from the jaws of victory.

6.52 pm

The Minister for Climate Change and the Environment (Ian Pearson): First, I congratulate my hon. Friend the Member for Copeland (Mr. Reed) on securing this Adjournment debate on the policy concerning radioactive waste management. The Government and the devolved Administrations are committed to finding a solution to the nuclear legacy. While others have talked about the problem, this Government are taking action.

The Government have acted to deal with the decommissioning and clean-up of the UK's older publicly owned civil nuclear sites, through the establishment of the Nuclear Decommissioning Authority in the Energy Act 2004. We are also conducting a review of low-level waste management policy, and are currently considering the responses to a consultation. We will publish a statement this autumn.

The Government's "Managing Radioactive Waste Safely" programme follows on from consultation in September 2001. It develops radioactive waste policy following a series of failed initiatives previously, and draws on the lessons that we have learned from that experience.

The outcome of the consultation was the establishment of the independent Committee on Radioactive Waste Management in the second half of 2003. My hon. Friends the Members for Copeland and for Stroud (Mr. Drew) both mentioned the role played by the committee, whose task was to provide a recommendation on the best option, or combination of options, for the long-term management of the UK's higher-activity radioactive waste. It was asked to produce its recommendations on the basis of a wide programme of public and stakeholder engagement, and also to sound out the views of the scientific and expert community.

I believe that CoRWM has broken new ground in the open and transparent way in which it has conducted its affairs. It has engaged the public and stakeholders in the process, and it has fully considered the best scientific evidence. Its "deliberative decision making" has been carried out in open plenary sessions—therefore, quite literally, in public.

There has been a wide range of scientific and other expert input to CoRWM's work. For example, last December more than 70 independent experts were involved in the assessment of CoRWM's short-listed options against its agreed assessment criteria, and the Department for Environment, Food and Rural Affairs chief scientist has set up an expert panel to advice, and provide support to, CoRWM. Those are only two examples of the expert input that has gone into the committee's work. Its interim recommendations have been well received by bodies such as the Royal Society and the Geological Society.

CoRWM has held more than 30 open plenaries at various locations in the UK, in addition to round tables, citizen panels and a stakeholder forum. It also consulted more than 13,000 young people in Bedford and Luton as part of its schools project. I am particularly pleased about that, as it is important that the views of the young are reflected in reaching decisions about matters of such an important and long-lasting nature.

Based on all that work and expert input and the results of its public and stakeholder engagement, CoRWM produced its interim recommendations in April. In them, it concluded that deep geological disposal is the best available approach to the long-term management of waste, that a programme of interim storage is also required and that the Government should explore the concept of partnership with local communities as part of any future facility-siting process. CoRWM put those draft recommendations out to consultation, and we understand that they have been well received.

CoRWM's final report will be published at the end of July, in line with its published timetable. As hon. Members will recognise, as the report is not yet finalised I am not in a position to be able to respond to it. The Government will make a formal response to CoRWM when the House returns. We are keen to make progress on this matter, and will make the response as soon as practicable after the Parliaments and the Welsh Assembly reconvene.

I look forward to receiving CoRWM's report, and in the meantime I would like to make several general observations in reply to my hon. Friend the Member for Copeland. First, I must stress the importance of securing the confidence of both the public and stakeholder groups in any future programme. Whatever decisions are taken, I can say that the future programme will not be like previous failed programmes. We have learned from those failures. We believe that CoRWM has set the standards for openness and transparency in the way in which it has conducted its programme.

In future, we must also win the confidence of any communities that might be willing to host waste management facilities. In that respect, I note the points made by my hon. Friend concerning the interests of Cumbria, and I can assure him that the Government have learned from mistakes made in the past, and plan to work constructively in partnership with all communities that have an interest in this matter.

Public safety and environmental protection—both now and for future generations—will be our utmost concern in taking forward the programme for the long-term management of the UK's higher activity wastes. The Government well understand the importance of independent scrutiny in respect of issues of nuclear power. In taking this programme forward, we will ensure that there is a robust regulatory regime and independent oversight. We will continue to look to the independent regulatory bodies—the Health and Safety Executive, and the Environment Agency in England and Wales and the Scottish Environment Protection Agency, or SEPA, in Scotland—to ensure the safety of people and the environment.

It might be helpful if I outline to the House the process of regulation of safety for higher level radioactive wastes. The nuclear operators are required to demonstrate to the regulators that the risks to the public and the environment from their activities, including the management of radioactive waste, are reduced to as low as is reasonably practicable. In support of their safety cases for packaging and disposal of radioactive waste, the operators seek advice from Nirex.

Nirex's role is, in support of Government policy, to develop and advise on safe, environmentally sound and publicly acceptable options for the long-term management of radioactive materials; as has been said, it has unique intellectual property. But it is the independent regulators who take decisions on the acceptability of waste conditioning and packaging safety cases that are submitted to them. The environment agencies and the Health and Safety Executive have teams that scrutinise Nirex's contribution to the safety case process. The independent regulators are responsible for applying and determining the statutory safety requirements of the Nuclear Installations Act 1965 and the Radioactive Substances Act 1993.

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

Ian Pearson: There have been some recent inaccurate reports in the press and elsewhere about Nirex. Nirex is not a regulator. It is not a nuclear watchdog and it not responsible for nuclear safety in the United Kingdom. It is a company jointly owned by the Department for Environment, Food and Rural Affairs and the Department of Trade and Industry, and which advises nuclear site operators on the preparation of the industry's safety case submissions to the regulators concerning the conditioning and packaging of waste. I should also point out, as my hon. Friend the Member for Copeland did, that Nirex receives well over 90 per cent. of its funding from the Nuclear Decommissioning Authority.

The NDA was set up in April 2005 to take responsibility for the decommissioning and clean-up of the UK's older, publicly owned civil nuclear sites under the Energy Act 2004. The NDA has statutory responsibilities to protect people, to safeguard the environment and to preserve nuclear security, operating in an open and transparent manner. Government decisions on long-term radioactive waste management post-CoRWM will be a crucial factor in achieving those aims, as the NDA's own strategy recognises. In our response to CoRWM, the Government will want to make sure that full and proper arrangements for independent scrutiny and advice are in place.

Since 2003, CoRWM has provided a vital means for the independent assessment of nuclear waste issues, which is key to ensuring that all of us have confidence in the arrangements for the long-term management of waste. This process will span several decades and it is important for it to command widespread public confidence. We will ensure that the framework is both robust and based at root on clarity and transparency. The Government are determined, in their response to the CoRWM report, to ensure continued independent oversight, in order to give confidence to the public and to make sure that the highest standards are maintained.

We have had a programme of civil nuclear power in this country for 50 years, and the solution to the waste problem has eluded successive Governments. This Government are committed to making a real start in developing the solution, but we recognise that if it is to be a genuine solution, we cannot do this alone. We are confident that the approach taken by CoRWM provides the basis for moving forward. I look forward to its final report, and I am happy to meet my hon. Friends the Members for Copeland and for Workington (Tony Cunningham), along with local government representatives in their areas, to discuss its findings.

Question put and agreed to.

Adjourned accordingly at three minutes past Seven o'clock.

House of Commons

Thursday 20 July 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Food Industry

1. **Mr. John Leech** (Manchester, Withington) (LD): If he will make a statement on the environmental impact of supermarkets and the food industry. [86595]

The Secretary of State for Environment, Food and Rural Affairs (David Miliband): The food industry has a major impact on the environment, accounting for 14 per cent. of energy consumption by UK business and 7 million tonnes of carbon every year. The Government have implemented a number of measures under the food industry sustainability strategy to reduce negative impacts. I can tell the House that I am meeting the supermarkets today to discuss progress.

Mr. Leech: Tesco is trying to build an 88,000 sq ft supermarket just outside my constituency near to Chorlton town centre, which would lead to even more congestion and pollution in the area, as well as impact on the viability of local shops. Will the Secretary of State commit to urgent discussions with his ministerial colleagues in the Department for Communities and Local Government with a view to protecting our local centres from these environmentally damaging developments?

David Miliband: The way in which the hon. Gentleman poses the question suggests that he knows that planning policy is not something that falls to DEFRA, but I am happy to say that I will look into the case, consistent with the important principle that Ministers do not interfere with planning decisions.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): My right hon. Friend will know that some supermarkets, including Tesco, are slowly moving towards a much more positive environmental stance. Will he encourage them to take that aspect much more seriously and to put some serious money into local communities to improve the quality of the environment? Supermarkets are good in one area, and that is transport logistics. If Tesco's transport logistics expertise could be used, for example, in the waste industry—8 per cent. of truck movements in our country are waste being hauled on our motorways—we could quickly reap some serious economic and environmental benefits.

David Miliband: When I meet the supermarkets later today, I shall certainly ask Asda, Morrisons and Sainsbury's whether they agree that Tesco provides a model of good practice and see what reaction I get. I take my hon. Friend's point about transport logistics and waste. I was surprised to find that the supermarkets are on track, following the EU packaging directive, to reduce packaging by between 55 and 80 per cent. It is also worth mentioning—other hon. Members may raise it—the commitment in the energy review to ensure that some 5,000 medium-sized public and private sector organisations are part of a UK emissions trading system to deliver 1.2 million tonnes of carbon reduction every year. That is a major step forward, which I hope will command support throughout the House.

Dr. William McCrea (South Antrim) (DUP): Will the Secretary of State comment on the policy of supermarkets importing cheap food from other regions of the world, such as south America, particularly in respect of the impact on the environment in those regions?

David Miliband: The hon. Gentleman raises an important point. I think that I am right in saying that about 76 per cent. of food bought in the UK is domestically produced, though that is down by 5 or 6 per cent. over the last decade. Ensuring that local supply chains are strong and that local food producers are able to get their goods to market efficiently and effectively while securing a fair price for what they produce is critical. The hon. Gentleman also made the important point that global trade can benefit developing countries, or countries from which we import food, and be an important part of their standard of living. That can be done in either a more or less environmentally sensitive way. From our point of view, it is imperative that it is done in a more environmentally sensitive way.

Mr. Andrew Turner (Isle of Wight) (Con): The Isle of Wight is not entirely devoid of natural resources, but two Tesco-size lorries cross the Solent every year for every man, woman and child on the island to serve its supermarkets. At the same time, we produce a huge amount of agricultural produce ourselves. What can the Secretary of State do to reduce the food miles, to which the hon. Member for South Antrim (Dr. McCrea) referred, that severely damage the environment?

David Miliband: I thought that the hon. Gentleman was about to say that he was one of the natural resources of the Isle of Wight, which would be a point of more contention than the need to reduce food miles. The most important thing is for the Isle of Wight to maximise its agricultural production in ways that local consumers want to buy. In the end, local food producers rather than the Government will be the key to the supply chain. Having said that, it is an important part of our strategy to help support local farmers to diversify and ensure that they are able to serve local markets in the most effective way.

Mr. James Paice (South-East Cambridgeshire) (Con): It is good to hear the Secretary of State saying those words, but I remind him that three years ago his predecessor launched the Government's public sector procurement initiative, saying:

> "Sustainable food procurement isn't just about better nutrition, it's about where the food comes from, how it is produced and where it ends up."

Three years later, his Department has said that it does not know how much publicly procured food is of British origin. Given that the Secretary of State is rightly seeking to atone for many of the failings of his predecessor, may we now expect him to get to grips with the whole issue of public procurement? There is £1.8 billion worth of publicly procured food bought in this country: surely that is the way for the Government to set an example to supermarkets and the food industry on how to reduce food miles.

David Miliband: I am trying to build on the successes of my predecessor in a range of important areas, including agriculture and the environment. I am sorry that the hon. Gentleman did not mention the Sims report, because the issues of public procurement that he raises are very important. The report was published just two months ago and was an independent study by an experienced and respected business figure, who examined the whole £150 billion of public sector procurement and how it could be done more sustainably. I am also sorry that the hon. Gentleman did not refer to the commitments made not only by me, but by my right hon. Friend the Chief Secretary to the Treasury to see the report and its recommendations through and deliver some of the gains that the hon. Gentleman wants to see.

Uncropped Field Margins

2. **Mr. Robert Goodwill** (Scarborough and Whitby) (Con): Whether he has made an assessment of the environmental and economic implications of requiring 2 m uncropped field margins. [86597]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): Yes.

Mr. Goodwill: I thank the Minister for that short answer. I am sure that he would wish to enhance and augment the rural environment, but I am not sure that that is the best way to do it. It tends to penalise farmers who have retained their hedges and helps farmers who have bulldozed them. If the Minister took the opportunity to inspect some of those field margins, he would see that they are choked with pernicious weeds such as soft broom, sterile broom, wild oats and, in the east of the country, blackgrass. When the combine harvesters spread those around the fields, it results in the need for much higher levels of pesticide usage on arable farms. Can the Minister think of some more imaginative ways of utilising the same amount of land to stimulate farmers to do something to make a positive impact on the rural environment?

Barry Gardiner: It is interesting to be asked whether one has made an assessment and, when one says that one has, not then to be asked what it was before one gets the Opposition view. It is clear that cross-compliance measures impose a minimal burden on farmers, calculated to be of the order of only 2 per cent. of the single payment that they receive. That was for farmers who were not previously using what are generally accepted as good management practices. The fact is that most farmers did leave the 2 m margin, measured as it is from the centreline of the hedge. In respect of the environment and biodiversity considerations, the hon. Gentleman will know that as much as 70 per cent. of all the wildlife and biodiversity of a field is estimated to live in the hedgerow margin. Protecting them in that way is an essential part of delivering our 2010 targets.

Ms Angela C. Smith (Sheffield, Hillsborough) (Lab): It is important that farmers should do their bit to promote biodiversity. Will my hon. Friend the Minister therefore do more and go further to encourage environmentally friendly stewardship of the land by farmers?

Barry Gardiner: We are looking at all sorts of ways to improve the management of our countryside and incentivise farmers to do so. There is a general consensus in the Chamber that cross-compliance and all the moves that have been made from pillar one to pillar two are ones that we would all support. We are moving in the right direction, which is paying farmers to provide public benefits, instead of the old system of paying for production, which disconnected farmers from their markets and was an inefficient way of doing things. However, it is essential that we have the flexibility to take into account the distinctive features of the English countryside, of which the hedgerow is one. I make no apology for protecting it.

Mrs. Madeleine Moon (Bridgend) (Lab): Does my hon. Friend agree that with 71 per cent. of British butterflies and 44 per cent. of British moths in decline, hedgerows and field margins are critical to ensuring diversity? Those creatures, which are important to the farmer for the fertilisation of his crops, should be protected.

Barry Gardiner: My hon. Friend makes the important point that biodiversity should be seen in terms of the whole ecosystem. The pollination services provided by butterflies and other insects that inhabit hedgerows and the margins of fields are essential. Our 2010 biodiversity targets state that we must increase the number of farmland birds. There is a severe decline in the food that they depend on and that they feed to their chicks—butterflies, caterpillars and so forth—which is part of the problem. It is essential that we look at this issue as part of the whole environment, and that we address it in the way that my hon. Friend suggests.

Ivory Trade

3. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What Government policy on the ivory trade is expected to be at the meeting of the convention on international trade in endangered species standing committee in October; and if he will make a statement. [86598]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): The United Kingdom Government will not have a vote at the standing committee in October. The UK will be represented as part of the European region, but the UK's position continues to be that we support the international ban on trade in ivory.

David Taylor: I welcome that answer. Any reopening of the ivory trade—by stockpile sales or more widely—would simply create a smokescreen and trigger further poaching of elephants for their ivory, especially in central and west Africa and Asia, where resources for enforcement of anti-poaching measures are at their thinnest. Will the Minister ensure that such points are vigorously made at the CITES conference, and will he involve the International Fund for Animal Welfare in tackling what is becoming a very serious problem?

Barry Gardiner: I am grateful to my hon. Friend for those remarks. He highlighted stockpile sales, which is a critical issue to address. As he knows, there already is an international ban on the commercial trade in ivory, and the UK will not support any reopening of that trade. In 2002, the CITES parties drew a distinction between a general return to commercial ivory trade and one-off sales of legally acquired stockpiled ivory. The UK's position is clear: we will not agree to the one-off sales going ahead unless all the conditions to prevent a damaging rise in elephant poaching and any increase in the illegal trade have been fully met. I can assure my hon. Friend that I have already met IFAW and discussed this subject. I have asked it to help me look at the statistics that will under-gird those decisions and to prepare a response for me. I look forward to receiving it.

Local Environment Quality

4. **Kali Mountford** (Colne Valley) (Lab): What steps his Department is taking to improve local environment quality. [86599]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): The Clean Neighbourhoods and Environment Act 2005 has given local authorities and others important new tools to improve the quality of people's local environment. Other measures will ensure that the quality of air and water—already better than at any time since the industrial revolution—will continue to improve.

Kali Mountford: I hope that both you, Mr. Speaker, and the Minister can at some point—perhaps over the summer—visit the beautiful constituency of Colne Valley and see how our environment has been enhanced by the hard work of community groups such as the Friends of Beaumont Park, which is trying to create an eco-park. Would it not therefore be a great pity if the 2005 Act was not used to its fullest extent by local authorities to ensure that the hard work of community groups is not undermined and that the area is not inundated with fly-tipping, litter and graffiti?

Mr. Bradshaw: Yes, and I will look at my diary to see whether I can fulfil my hon. Friend's invitation during August, when I intend to spend quite a bit of time travelling the country extolling the benefits of the 2005 Act and encouraging local authorities—as she is rightly doing—to use the new powers that they have been given.

Sir Nicholas Winterton (Macclesfield) (Con): Will the Minister accept that the quality of our countryside is critical to the environment of the United Kingdom? Will he further accept that if we are to maintain the quality of our rural areas and our countryside, farmers need to be able to make a profit from what they produce on the land, and land has to be farmed? Currently, farmers are under huge pressure—dairy farmers in particular—not least from the major superstores. Will the Government take steps to protect the rural environment to ensure that our farmers, who work hard seven days a week—particularly if they are livestock farmers—are able to make a proper living and can maintain the countryside for the people of the United Kingdom?

Mr. Bradshaw: The hon. Gentleman refers to lots of very important issues to do with rural areas and agriculture that are not strictly related to local environment quality. However, if you will bear with me, Mr. Speaker, I shall do my best to answer.

I agree that it is important that agriculture is put on a profitable footing, and that is the aim of the Government's sustainable food and farming strategy. It is also very important that farmers are rewarded for the public benefits that they provide, and we are changing the way that agriculture is supported in this country to ensure that that happens. We accept that problems in certain sectors, such as the dairy sector, are making life very difficult for people. I know that the hon. Gentleman represents a lot of dairy farmers, and I am sure that my right hon. Friend the Secretary of State will take on board what he has said before speaking to the supermarkets later today.

Mr. Bob Blizzard (Waveney) (Lab): The Local Government Act 2003 provided that local authorities employing litter wardens to enforce the litter laws could use the proceeds from fixed-penalty fines to pay them. Some authorities use those powers with great success, but many—including my own—do not use them at all. As a result, streets remain dirtier than they need be, or council tax payers have to pay enormous amounts of money to get litter cleared away. Will my hon. Friend write to the authorities that are not using the powers and encourage them to do so?

Mr. Bradshaw: Yes, I shall be happy to do that, and to take the matter up with my hon. Friend's local authority. It is a terrible shame when legislation that gains very strong support in this place, and which gives local authorities powers that they have asked for over many years, is not used. The powers in the 2003 Act enable authorities to deal with the sort of local environmental issues that really matter to people, but my hon. Friend is right to say that the fact that they are not used indirectly piles more costs on council tax payers as a whole.

Mr. Greg Hands (Hammersmith and Fulham) (Con): Will the Minister look at the impact on the London environment of helicopter noise? It is probably the number one issue in my post bag at the moment. No one seems to know why there has been such a big increase in helicopter traffic over London, which does not appear to be monitored by any Government agency. The London assembly has conducted an inquiry, but it has barely scratched the surface. Will he speak to other Ministers about setting up a proper monitoring system for helicopter noise over London?

Mr. Bradshaw: I suspect that the Leader of the Opposition might be making some contribution to the increase in helicopter noise, given his penchant for helicopter travel. However, I shall be delighted to investigate the matter and get some answers to the hon. Gentleman's question. I have a London flat, and I have noticed exactly the phenomenon that he has described, with helicopters disturbing our peace and quiet by hanging in the air for hours on end. I have no idea what they are doing, and I shall be delighted to find out for the hon. Gentleman.

Mr. Peter Ainsworth (East Surrey) (Con): Yesterday, the Secretary of State made a speech that began with a reference to the great stink—not the one that is increasingly emanating from this discredited and sleaze-ridden Government, but the one in 1858 that led to the creation of the London sewer system. What action is the Department taking to improve the local environmental quality of the Lea valley in east London, where hundreds of thousands of tonnes of raw sewage are pumped into the Thames basin every year? Two years ago, a former Environment Minister said that doing nothing about the scandal was not an option. What has been done since, and what discussions has the Minister had with the Department for Culture, Media and Sport, bearing in mind the possible impact that that remnant of the great stink could have on the London Olympics?

Mr. Bradshaw: I am informed that my hon. Friend the Minister for Climate Change and the Environment, who is sitting on my left, has had such a meeting recently, and also that the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Brent, North (Barry Gardiner), who is sitting on my right, has had a meeting with British Waterways on the matter. I am sure that both of my colleagues are determined to ensure, between them, that the development to which the hon. Gentleman refers is carried out in a sustainable way, and that the problems that the hon. Gentleman describes are addressed.

Chris Huhne (Eastleigh) (LD): Local environment quality depends crucially on the Department's expenditure on policing environmental crime and on flood defences. However, there have been reports recently that the Secretary of State has asked for expenditure cuts in the environmental parts of his budget in order to offset overruns in other areas, perhaps particularly single farm payments. Will the Minister say whether the Department is asking environmental budget holders, including the Environment Agency, to reduce their budget allocation? Will he tell the House the implications for the understanding that the Department reached with the Association of British Insurers to continue to provide insurance cover for more than 100,000 home owners at risk of flooding? Will he assure them that the allocations for flood defences will not be cut?

Mr. Bradshaw: On the hon. Gentleman's latter point, my hon. Friend the Minister for Climate Change and the Environment met the ABI recently. On his more general point, like all Departments, ours is constantly looking for ways of spending our money more effectively and efficiently. Inevitably, things come up such as the recent preparations to deal with the possible outbreak of avian flu and the problems of the single farm payment but, since we have been in power, the Government's grant in aid to the Environment Agency, another issue to which he referred, has increased substantially from about £160 million to over £600 million a year.

Scallop Dredging (Lyme Bay)

5. **Mr. Adrian Sanders** (Torbay) (LD): What advice he has received from English Nature about damage caused to marine reefs in Lyme Bay as a result of scallop dredging. [86600]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): English Nature has advised that increased scalloping is having a significant impact on important reef features and it has recommended the closure of 60 square miles of Lyme bay. I would prefer, and am still hoping, to find a voluntary solution to the problem, but if that proves impossible I am prepared to introduce compulsory measures to protect the local marine environment.

Mr. Sanders: I am extremely delighted to hear that response. I hope that the Minister will reach a conclusion soon on that matter because the damage that is being caused to the reef system is having both an environmental and an economic impact on sea angling and diving, which are major factors for the tourism industry in south Devon.

Mr. Bradshaw: I accept the point that the hon. Gentleman makes. I, too, want to reach a decision on the matter as soon as possible.

Mr. Geoffrey Cox (Torridge and West Devon) (Con): The northern Devon fishing industry is struggling at the moment to create and to promote itself as a sustainable fishery off Lundy and around the north Devon cost. There is worrying evidence that Belgium beam trawlers are changing to otter trawlers and hoovering up fish in the Bristol channel in a way wholly contrary to it remaining a sustainable fishery. Will the Minister look into that and do something about it if he finds that that practice is happening?

Mr. Bradshaw: I will happily look into that, although I am not quite sure what it has to do with the English Nature's recommendation on Lyme bay.

Bill Wiggin (Leominster) (Con): I did not feel that that answer was very helpful from the Minister. I want to know how long it will take him to decide whether to support what Devon Wildlife Trust and English Nature have asked for, which is the enforcement of a no-dredging zone covering 10 per cent. of Lyme bay, although when I googled DEFRA and indecision, I got 699 hits on badger culling, TB in cattle, partial payments, coastal access, greyhound welfare, delaying the marine Bill—

Mr. Speaker: Order. That is quite wide of the question.

Emissions Trading Schemes

6. **Mark Lazarowicz** (Edinburgh, North and Leith) (Lab/Co-op): What recent progress has been made with the extension of emissions trading schemes at international level. [86601]

The Secretary of State for Environment, Food and Rural Affairs (David Miliband): Thanks to strong UK leadership during our G8 and EU presidencies, the international framework is now in place to deliver actions such as emissions trading that are needed to combat climate change.

I have already announced the UK's proposal for the next period of the EU's emissions trading scheme, delivering additional savings of 8 million tonnes of carbon each year. Emissions trading is here to stay and the Government are committed to making it work and to extending it to new sectors, as well as exporting its benefits to other parts of the world that may be interested. Our actions to date have given us leverage as we press for a new international agreement on stabilising carbon emissions.

Mark Lazarowicz: It is obviously welcome that some progress was made at the G8 summit in St. Petersburg on issues that were on the agenda, but what are the prospects of getting countries outside the European Union involved in such a scheme? There has been talk about a wider international scheme for some time, and Britain has been taking the lead on the issue, but matters are moving forward fairly slowly—they need to be brought forward much more quickly. I would be grateful if the Minister indicated what progress has been made outside Europe as well as within the European Union.

David Miliband: I share wholeheartedly my hon. Friend's commitment to the urgency and importance of moving forward. I can say two things. First, Australian states, Canada, Japan, New Zealand, South Korea, Switzerland, Norway and a number of US states are introducing emissions trading schemes, which is interesting evidence of the progress of the idea. Secondly, I can assure him that in the Gleneagles dialogue that will continue in Mexico in October and then at the Nairobi conference of the United Nations in November, the Government will be pushing hard to build consensus on the importance of the international stabilisation goals in respect of carbon dioxide and to take forward the agenda on the global mechanisms, which include all the major players, for finding the most cost-effective ways of reducing emissions, which we must do sooner rather than later.

Mr. Peter Ainsworth (East Surrey) (Con): The Secretary of State will recognise the importance of persuading the US Administration to engage positively on the issues of climate change and emissions trading. Given that we have discovered this week that the special relationship seems, shall we say, a little one-sided, how confident is he that British efforts to persuade the Bush Administration to take a responsible lead in global emissions trading will be met by more than a shrug and a yo?

David Miliband: I have to say that, even for a sleepy Thursday before a summer recess, that was pretty hard work. I say three things to the hon. Gentleman. First, it is important that we keep up the pressure at all levels—at governmental level, and, as I said in the Environmental Audit Committee yesterday, at business level and state level. He will know that 240 US cities are now party to the Kyoto agreement, covering 45 million citizens. Secondly, in respect of the intergovernmental level, we are working hard as part of the Gleneagles dialogue—*[Interruption.]* The hon. Member for Bexhill and Battle (Gregory Barker) keeps on shouting from a sedentary position, "How?" He obviously does not know that Governments speak to each other and that they have a process that leads to decisions being made at a certain time. It would be foolish of me to announce decisions in advance of meetings—[*Interruption.*] If the hon. Gentleman listened, he might learn something. It would be foolish of me to announce decisions now that will be taken at meetings in October and November.

Thirdly, the hon. Member for East Surrey (Mr. Ainsworth) asked about confidence. I am confident that there is a growing global recognition of the urgency of this problem and that every part of the world will have to be part of the solution. Obviously, it is up to individual politicians to make the final decision about how they participate, but I am confident that the UK Government are exercising maximum leverage in every way to ensure that we get the change that we need.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): My right hon. Friend will be aware that a variety of options have been applied under the EU emissions trading scheme. For example, the Germans have chosen a fuel and technology-specific option, which has stimulated 11GW of investment in new clean coal technology. Has my right hon. Friend seen the paper provided by the clean coal task group, which suggests that the option in Britain will be biased in favour of gas? Will he look at that paper and meet the group with a view to bringing in an even playing field so that we get the investment in clean coal technology that is required?

David Miliband: My hon. Friend raised an important point. I have not seen the paper, but I will make sure that it is in my box this weekend. I will look carefully at the best way of taking this forward. My hon. Friend will know that the energy review made strong commitments both to clean coal and, critically, to what is known as carbon capture and storage technology. After all, the Chinese are opening one new coal-fired power station every four days. It is essential, given the global nature of the problem, that technological developments such as carbon capture and storage, which offer the prospect of clean-coal energy production, are taken forward, not at the expense of energy efficiency measures, which are also critical, but as a complement to them.

Dr. Vincent Cable (Twickenham) (LD): As the Government's plans for new nuclear power hinge on an attractive carbon price, how does the Secretary of State propose to reform the emissions trading system to ensure that there is a guaranteed floor price?

David Miliband: The hon. Gentleman knows that, although there were predictions of doom when the figures for the first year of operation of the ETS were announced, it is significant that those predictions have not come to pass in respect of the carbon price. It has been relatively stable. The key is obviously phase 3 of the scheme after 2012. The United Kingdom Government will work closely with environmental groups and the business sector, which I have met already, to ensure that we have an independent, properly monitored and effective system for the EU ETS. In that context, it is significant that the European Commission has said that no caps for phase 2 will be below the current level of emissions. So scarcity will be built into the system. All caps will need to be consistent with the Kyoto protocol, which is also important.

Environment Agency (Grant in Aid)

7. **Martin Salter** (Reading, West) (Lab): What the total grant in aid paid to the Environment Agency for (a) fisheries work and (b) navigation was in 2002-03 and is in 2006-07; and what its income from rod licences and boat registrations was in each year. [86602]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): The agency spent £9.8 million of its grant in aid in England and Wales on fisheries and £7 million on navigation in 2002-03, and is currently intending to spend £9.4 million and about £12 million respectively in 2006-07. For the same periods, income from rod licences was £16.1 million and £20 million respectively, and income from navigation registrations was £3.3 million and £4.2 million.

Martin Salter: The Minister will be aware that the wholly unwelcome cut of £400,000 in the fisheries budget threatens adversely to affect the ability of the Environment Agency to combat the spread of lethal fish diseases such as the koi herpes virus, several outbreaks of which have occurred in the UK recently. On behalf of Britain's 3.5 million anglers, may I ask the Minister what action he proposes to take to prevent the spread of KHV, which is the aquatic equivalent of foot and mouth disease?

Mr. Bradshaw: My hon. Friend, who is a champion in the House for the angling community, is absolutely right. The situation with carp herpes is serious, and in view of the latest developments it is my intention, subject to discussions with the devolved Administrations, to make KHV a notifiable disease.

Mr. Charles Walker (Broxbourne) (Con): In view of the current drought and extremely high temperatures, what measures is the Minister taking to ensure that abstraction is kept at a manageable level and that our rivers are able to retain a healthy invertebrate and aquatic environment for the fish, mammals and birds that rely on it?

Mr. Bradshaw: The hon. Gentleman makes an important point about some of the environmental effects of the current hot weather, which include carp herpes, which becomes a problem only above a certain temperature. As the temperature of lakes and rivers in the UK is rising above that temperature for the first time this year, there are some challenging situations. The hon. Gentleman is absolutely right; water companies have a duty, especially in weather conditions such as these, to think carefully about levels of abstraction so that they do not make the already challenging environmental situation in rivers and lakes worse.

Biomass Task Force

8. **Dr. Alasdair McDonnell** (Belfast, South) (SDLP): What actions fall to be taken by his Department in the implementation of the Government's response to the recommendations of the Biomass Task Force. [86603]

The Minister for Climate Change and the Environment (Ian Pearson): The Department, in close liaison with the Department of Trade and Industry, is actively engaged in driving forward the implementation of all the actions in the Government's response to the Biomass Task Force report.

Dr. McDonnell: I thank the Minister for his answer, but are the Government seriously committed? What serious capital grant is available for the biomass supply chain, whether from crops, trees or waste?

Ian Pearson: Yes, the Government are seriously committed to increasing biomass production. Our biomass capital grant scheme is allocating between £10 million and £15 million over the next couple of years; £66 million has been allocated to develop markets in biomass combined heat and power electricity generation and £80 million is available for microgeneration, which will include biomass technologies. There is a range of projects that we believe can come on stream. We would like to see the prediction in Ben Gill's report that biomass could actually meet 6 per cent. of heat and electricity generation by 2020 fulfilled.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Biomass has greater potential to replace fossil fuels than biofuels, in the short term at least, yet it attracts little attention and less publicity. Have the Government made an assessment of the establishment grants paid to farmers and landowners to plant biomass, such as short-term coppice crops and miscanthus? Although I understood that the bio-energy infrastructure scheme was taking no further applications, the Government have stated that they might take a further round of applications. Will the Minister make a statement about that?

Ian Pearson: I have already outlined a number of schemes that the Government are introducing to help to encourage the growth of the biomass sector. The hon. Gentleman is right to point out the importance of biofuels, too. We need an increase on the current generating figures of 1 per cent. of heat and 1.85 per cent. of electricity from biomass sources, and we can achieve that by helping to stimulate the market through Government measures.

As for the grant schemes for the growing of, for instance, miscanthus and short rotation coppice, they have been part of the rural development programme. We are negotiating and agreeing with the Commission a new rural development programme and we want to see encouragement for biomass as part of that programme.

Mr. John Grogan (Selby) (Lab): Following on from the earlier question, are the Government now looking more favourably at wood coppice rather than miscanthus? Is that the Government's policy? There are some fears among growers that that is the way that the Government are going.

Ian Pearson: As a Government, we do not particularly take a view on whether miscanthus or short-rotation coppice or other biomass sources—for instance, woodchip—are favoured. We have a regime in place that will encourage the further development and growth of the biomass sector in the future. We believe that there is a lot more that the Government can do to encourage and stimulate the growth of renewables in this country and that renewables must be a vital part of our future energy mix.

Miss Anne McIntosh (Vale of York) (Con): Will the Minister join me in paying tribute to the work of Ben Gill, who is a constituent of mine in the Vale of York? Will he recognise that that work must now progress with some urgency, given that the British Sugar factory in York is due to close next year? The issue is not just about willow coppice—as the hon. Member for Selby (Mr. Grogan) said—but about exploring ways of turning sugar beet into bioethanol. That work must now proceed with some urgency.

Ian Pearson: I certainly pay tribute to the work of Sir Ben Gill. I had the pleasure of taking part in a meeting at the Royal show, which Ben chaired. In his typical, robust manner, he explained the importance of biomass to the future of agriculture across the United Kingdom. There are strong opportunities for the farming community to do more in the biomass sector. The hon. Lady mentioned sugar beet. She will probably be aware of a current project in Norfolk that is looking to grow sugar beet to produce bioethanol. That should come on stream in the near future. With the renewable transport fuels obligation coming into force from 2008 to 2010, there will be big opportunities for growers to contract supply to people who will generate biofuels.

Martin Horwood (Cheltenham) (LD): I agree with the Minister's comment that there is a lot more that the Government can do in this area. On reflection, is not the Minister slightly embarrassed that the energy review made only the briefest mention in passing of small and medium-scale biomass and bioenergy generation, despite increasingly clear evidence that that smaller-scale generation offers a more efficient, economical, decentralised and secure renewable source? It has huge potential, as the Biomass Task Force rightly identified. Is it not true that in the area of biocrops and bio-energy, even the United States under George Bush is doing more on the ground than this Government?

Ian Pearson: If the hon. Gentleman looks in detail at the energy review, he will see that biomass features in the section on renewables and the section on transport. I repeat that the Government are taking forward a wide programme of action when it comes to biomass. We have identified some 65 actions that we need to take as a Government in response to Sir Ben Gill's report. We are getting on with it. We believe that the biomass market is growing and we have in place a package of measures to ensure that we help to stimulate further that demand.

Supermarket Carrier Bags

10. **Mr. Jim McGovern** (Dundee, West) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on introducing a tax on supermarket carrier bags. [86605]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): We have regular discussions with colleagues about incentives for more sustainable living. The Treasury has assessed the Irish plastic bags tax, following its introduction in 2002, and has concluded that there is no clear evidence that a tax would be effective on environmental grounds.

Mr. McGovern: The Labour-led Scottish Parliament is undertaking a major review of the suitability of introducing a plastic carrier bag tax to reduce the number of the bags that are used and wasted each year. Given that the report is due in October 2006, and that the Irish carrier bag tax is completing its fourth year, will my hon. Friend commit to examining again the arguments in favour of a carrier bag tax when we come back from the summer recess?

Mr. Bradshaw: I am not waiting until I come back from the summer recess. I spend a lot of time with officials discussing the merits or otherwise of a plastic bag tax. Indeed, we are working closely with colleagues in the Scottish Executive, who are still unconvinced of the environmental merits. The Irish Government are yet to conduct a proper review of the effectiveness of their plastic bag tax. Although we all share my hon. Friend's desire to reduce the unnecessary number of plastic bags that people use and discard when they shop, the whole life cycle analysis of the environmental efficacy of a plastic bag tax shows that it would not be as convincing as one might superficially think.

Sir Nicholas Winterton (Macclesfield) (Con): Good answer!

Paddy Tipping (Sherwood) (Lab): Will the Minister be bold enough to tell colleagues in the Treasury that although there might not be environmental benefits, a tax on plastic bags would be broadly welcomed by people in this country and would send a real signal that we were serious about waste and the environment? Just go and tell the Treasury that!

Mr. Bradshaw: I am very grateful for my hon. Friend's advice—[HON. MEMBERS: "Career advice."] Yes, perhaps his career advice was not as sound as his advice about other things usually is. I agree with him that some kind of measure to deal with the profusion of plastic bags in circulation would be popular. The women's institute, before which we should all genuflect, recommended such a thing just a few weeks ago. However, I repeat my point that was so well received by the hon. Member for Macclesfield (Sir Nicholas Winterton). We can examine the overall economic benefits of the tax as it has been introduced in Ireland, where people have started to use more black bin liners and paper bags as substitutes. In the overall scheme of things, the impact on the environment has not necessarily been positive, but we keep the matter under review, and I accept the point that my hon. Friend the Member for Sherwood (Paddy Tipping) makes about the tax's possible popularity.

Landfill

11. **Tim Loughton** (East Worthing and Shoreham) (Con): How much waste has been sent to landfill since 1997; and if he will make a statement. [86607]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): From 1997 to 2005, we landfilled an estimated total of 100.8 million tonnes of biodegradable municipal waste. From 2001-02, which is the first year for which we have reliable figures, to 2004-05, we reduced the amount of that waste sent to landfill from 15.7 million tonnes to 13.9 million tonnes, thanks to the considerable efforts of the Government, local authorities and the public to recycle more waste.

Tim Loughton: It is welcome that the amount of landfill is being reduced due to an increase in recycling. Conservative local authorities consistently top the league of recycling rates. Why are there such big discrepancies between regions, with the north-east recycling 16 per cent. and the east recycling 29 per cent.? Will the Minister confirm that the Government are still committed to their target of reducing landfill to 75 per cent. of the 1995 production levels by 2010? Will they achieve that not by cheating—by having to export recyclables to China and other places—but by encouraging more close-to-home recycling in this country, less waste and less packaging in the first place?

Mr. Bradshaw: Yes, we want to do all those things. We are confident, although I acknowledge that the landfill targets that we have to meet in 2010 are extremely challenging and will require local authorities, the public and the Government to play their part. However, I was disappointed that the hon. Gentleman made a party political point because his Conservative local authorities are very poor performers on recycling. With the exception of one, they have all failed to meet their recycling targets, and we have had to intervene with one of them to discuss why.

Mary Creagh (Wakefield) (Lab): Will my hon. Friend join me in congratulating Wakefield's Labour council on its magnificent 28 per cent. recycling target? The council is in discussions with his officials about the financing of a new private finance initiative facility to help us to drive further the recycling target to 50 per cent. Will he do everything in his power to ensure that we get the new facility, which is desperately needed for the entire Wakefield district?

Mr. Bradshaw: Yes, I am happy to congratulate my hon. Friend's Labour-controlled authority, which, in contrast to the Conservative-run local authorities mentioned by the hon. Member for East Worthing and Shoreham (Tim Loughton), exceeded its recycling targets this year. It has done extremely well, and officials from my Department will meet officials from my hon. Friend's local authority next week to discuss the issue that she raises. I think that she will appreciate, too, that the Government have provided considerable support not just to her authority, but to many local authorities across the country, to help them to meet those admirable recycling targets.

Mr. David Heath (Somerton and Frome) (LD): Significant progress has been made by local authorities in recycling domestic waste, but there is a complete blind spot with regard to trade waste, for which they do not have any responsibility. There are disincentives for companies to separate their waste at source. Companies in the restaurant and bar trade produce huge amounts of recyclable material that simply goes into the normal waste stream, and that is not sensible. Will the Under-Secretary address that problem as a matter of urgency?

Mr. Bradshaw: The hon. Gentleman has raised an important matter, which is one of the critical issues that we will address when we publish our revised waste strategy in the autumn, as a result of the consultation that we are carrying out. However, it would be wrong to give the impression that trade and commercial waste is not recycled, as a greater proportion of trade and commercial waste is recycled or reused than municipal waste. Although we want to raise levels for both, it would be wrong to suggest that all commercial and business waste simply goes into landfill—it does not. Again, the amount going into landfill has fallen dramatically.

Gregory Barker (Bexhill and Battle) (Con): Despite progress, we still lag far behind the rest of Europe in minimisation, reuse and recycling. Less waste is going to landfill, but under Government direction, in the next few years, there will be a massive increase in incineration across the country. Was it not deeply disappointing that the energy review, which is so timid and lacking in substance in its support for renewables, simply paid lip service to energy from waste, which was discussed in only one small box? It did not have anything new to say, and it did not make a single new proposal on the subject. Does not that depressing policy vacuum on progressive EFW confirm what we already suspected—that Government thinking on waste and incineration is still dominated by a backward-looking, outdated, unambitious, burn-and-be-done-with-it mentality?

Mr. Bradshaw: I am trying to work out the point the hon. Gentleman was trying to make. If it was about the need for extra energy from waste capacity, yes, the Government accept that. If he was trying to make the opposite point, I have to tell him that I am often lobbied by Opposition Members who want more energy from waste. He is quite wrong to suggest that we did not feature energy from waste as a potential renewable energy source in the energy review—we did so, and our Department made darned sure that we did.

Carbon Emissions

12. **Mr. Brian Jenkins** (Tamworth) (Lab): What assessment he has made of the contribution which could be made by farmers to reducing the UK's carbon emissions. [86610]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): The agriculture and forestry sector accounts for approximately 1 per cent. of carbon dioxide emissions. Farmers are contributing to the reduction of carbon dioxide emissions through the growing of dedicated energy crops, the planting of new trees, and the growing of crops for the production of biofuels.

Mr. Jenkins: I thank my hon. Friend for that answer, but is he aware that many of my farmers can no longer afford the capital investment needed to put a windmill on top of their house to generate power for their property? Oil prices are rising across the world, so is it not about time that the Government took biofuels seriously and started to invest capital in the marketplace, in order to expand it? Are any grants available to my farmers that would allow that switching process to take place rapidly?

Barry Gardiner: My hon. Friend is absolutely right to say that we have to encourage farmers—and, indeed, everyone—to make that transition. He will have heard the remarks that the Under-Secretary, my hon. Friend the Member for Exeter (Mr. Bradshaw), made earlier about the biomass capital grant scheme. In addition, the EU's annual €45 per hectare energy aid payment is available to farmers for purpose-grown energy crops that are grown on non-set-aside land. The Government do, in fact, take the issue extremely seriously, and in order to develop further the supply of biofuels, a renewable transport fuels obligation will be introduced in 2008. It will require 5 per cent. of fuels sold in the UK to come from a renewable source by 2010. I hope that that offers my hon. Friend and farmers in his constituency the encouragement that they need.

Mr. Peter Bone (Wellingborough) (Con): Many farmers have been encouraged to have wind farms on their land on the basis that it is environmentally friendly, but of course it is not carbon-free. Has the Minister made any assessment of the carbon emissions caused by onshore wind farms?

Barry Gardiner: No, I have not made any assessment, but I am sure the Department has and I would be happy to send the hon. Gentleman the statistics that we have on the matter. I am glad to hear support for wind farms coming from all parts of the House, because the Leader of the Opposition is famously known for referring to them as "bird blenders", which does not exactly encourage people to adopt the technology.

Biodiversity

13. **John Robertson** (Glasgow, North-West) (Lab): What additional measures his Department has assessed to increase public awareness of the positive steps people can take to support biodiversity. [86611]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): We are encouraging people throughout the country to do their bit for biodiversity. Reducing household pollutants and disposing of them properly makes water cleaner and protects aquatic habitats. Recycling rubbish reduces landfill and the pressure on surrounding land. Volunteering and gardening encourage native wildlife. These are small actions, but they can make a big difference.

John Robertson: I am sure my hon. Friend knows that the general population are unaware of the small things that they can do to help biodiversity. In a press statement, he challenged people to do their bit for biodiversity. Unfortunately, the measures suggested will not reach the general population. Will my hon. Friend consider what additional steps he can take to ensure that the general public realise the small things they can do to help the environment?

Barry Gardiner: Yes, absolutely. I am happy to take up that challenge from my hon. Friend because it is important not just that we know what can be done, but that we publicise that and help people to become aware of the small incremental steps that they can take in their own lives. My right hon. Friend the Secretary of State recently spoke about the fact that the personal carbon footprint accounts for 40 per cent. of the country's carbon footprint. We must be able to communicate to people the impact of their actions, so I shall take up my hon. Friend's challenge.

Greg Clark (Tunbridge Wells) (Con): The Minister mentioned gardens. Does he agree with the pop star Kim Wilde, who said this week that gardens have become a refuge for threatened wildlife? Given that our 15 million gardens represent a greater area than all our nature reserves put together, is it right that gardens are first in line for development?

Barry Gardiner: I want to take up the serious point that the hon. Gentleman makes, without straying, as he tempts me to do, into planning matters, which are not properly my domain. The point that he makes is of fundamental importance. All of us who are privileged to have gardens have a responsibility to consider what we can do to generate habitats for wildlife and to make our gardens as environmentally friendly as we can. That is the important message that the hon. Gentleman is trying to get across, and I wholeheartedly agree with him.

Bovine Tuberculosis

14. **Mr. David Drew** (Stroud) (Lab/Co-op): When he will announce the future strategy for dealing with bovine tuberculosis. [86612]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): We launched our 10-year strategy in March last year. My hon. Friend may be interested to know that the latest figures show a 34 per cent. reduction in cattle TB in Gloucestershire, his county, in the first five months of this year.

Mr. Drew: I thank my hon. Friend for his optimistic approach. It is fair to say that the problem will not go away. We have taken farmers up the hill in the expectation that there will be a new strategy, and there has been a massive consultation, which resulted in overwhelming opposition to a large-scale cull. We cannot leave it at that, but it is pleasing to hear that there are changes afoot. Perhaps that is to do with the nature of the testing, or perhaps it is to do with cattle-to-cattle transfer. The Government must say something about what their strategy will be, and I hope that will be not long delayed.

Mr. Bradshaw: I did not mean to sound optimistic. I was simply stating a fact to my hon. Friend, and I am well aware of the potential for the figures to go back up again. Until we get a better understanding of what has caused the sudden and dramatic fall in new bovine TB cases, it would not be reasonable for him to expect the Government to make a decision one way or another on badger culling.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): May I inform the Minister that in the part of my constituency near the Welsh border—Minsterley and Pontesbury—there has been a huge rise in the number of bovine TB cases among the cattle of my local farmers, who are extremely concerned about it? Will he meet a delegation of Shrewsbury farmers to give them an opportunity to express their concerns to him?

Mr. Bradshaw: Yes, I would be happy to meet a delegation of his constituents, although I would be extremely surprised if his area was unique in not having experienced a significant fall in bovine TB in the first five months of this year. I will check the figures, which I do not have to hand, and let him have them. There has been a 20 per cent. fall nationally, and the fall has been even more dramatic in some of the worst hot spots.

Mr. Eric Martlew (Carlisle) (Lab): May I ask my hon. Friend not to rush into a decision on this very important issue? I do not think that there is any support in this House or among the general public for a mass cull. Where are we as regards developing a vaccine for this terrible disease?

Mr. Bradshaw: We are already conducting field trials of a badger vaccine, and we are working out the best way of conducting similar trials on cattle. I do not think that my hon. Friend is right when he says that there is no support in this House for a cull of badgers. That is the official policy of the Conservatives and of the Liberal Democrats, but they have not quite explained how they would do it in an effective and sustainable way.

Business of the House

11.31 am

Mrs. Theresa May (Maidenhead) (Con): Will the Leader of the House give us the business up to and beyond the recess?

The Leader of the House of Commons (Mr. Jack Straw): The business for next week will be as follows:

Monday 24 July—Second Reading of the Welfare Reform Bill.

Tuesday 25 July—Motion on the retirement of the Clerk of the House, followed by consideration of Lords amendments to the Northern Ireland (Miscellaneous Provisions) Bill, followed by motion on the summer recess Adjournment.

The House will not adjourn until Royal Assent has been received to any Act.

The business for the week following the summer recess will be as follows:

Monday 9 October—Remaining stages of the Road Safety Bill [Lords].

Tuesday 10 October—Second Reading of the Corporate Manslaughter and Corporate Homicide Bill.

Wednesday 11 October—Opposition Day [18th Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced.

Thursday 12 October—Consideration of Lords amendments to the Civil Aviation Bill, followed by a debate on climate change on a motion for the adjournment of the House.

Friday 13 October—The House will not be sitting.

The provisional business for the week commencing 16 October will include:

Monday 16 October—Opposition Day [19th Allotted Day]. There will be a debate on an Opposition motion in the name of the Liberal Democrats. Subject to be announced.

I should also like to inform the House that the business in Westminster Hall for 12 October and 19 October will be:

Thursday 12 October—A debate on the report from the International Development Committee on the WTO Hong Kong ministerial conference and the Doha development agenda.

Thursday 19 October—A debate on the 28th annual House of Commons Commission report.

I should like to remind the House that it agreed to sit from 11.30 am on Tuesday 25 July, and there will be no business next Tuesday in Westminster Hall.

I should also like to tell the House that the state opening of Parliament will be on Wednesday 15 November.

The House will rise at the end of business on 25 July and return on Monday 9 October. I have given serious consideration to the points made by Members on both sides of the House regarding the accountability of Government during the summer recess. I am pleased to inform the House that later today I intend to table a motion and an explanatory memorandum that will allow for the tabling and answering of named day questions and, if there is a need, written ministerial statements on specified days during the first two weeks of September. This information will thereafter be printed in the *Official Report*.

Before closing, Mr. Speaker, I should like to take the opportunity to wish all Members of the House a productive summer recess in which they are able to see their families for a normal holiday period, and then able, as colleagues on both sides of the House always do, to devote time to their constituencies. I also give my thanks to the staff of the House for their continued support and to staff in Government Departments who provide briefings for my weekly business statement—although of course the answers are entirely my responsibility.

Mrs. May: With permission, Mr. Speaker, I shall respond to everything that the Leader of the House set out—the business for next week and after the recess and the statement about recess questions.

I welcome the right hon. Gentleman's announcement that hon. Members will be able to table written questions during the recess, albeit for a limited period. My hon. Friend the Member for Epsom and Ewell (Chris Grayling) raised the matter in business questions on 21 July 2005 at column 1415 of *Hansard*, when he asked for immediate action. It was not quite immediate, but at least something has happened and the Leader of the House is to be congratulated on that. However, will he confirm that the extension for written questions includes those to the Home Office and that the Department will respond fully in the time set out? May I urge him to go further? What plans has he to extend the opportunities to ask written questions during the summer recess in future? He also announced provision for written ministerial statements. In the absence of the Order Paper, what plans has he to alert hon. Members to the statements either when they are made or through advance notice?

I thank the Leader of the House for giving us the business for next week and the week after the recess. Yesterday, I welcomed his decision to change today's business to enable the House to debate the growing crisis in the middle east. As that crisis develops, a further statement might well be needed before the recess. Will the Foreign Secretary come to the House next week to update hon. Members on the situation and the Government's position?

Sadly, today's debate has meant postponing the debate on international development. We previously had such a debate in Government time a year ago, on Africa. Will the Leader of the House give us an assurance that there will be a debate on international development as soon as possible after our return from the recess and certainly before the end of the Session?

On Tuesday, many hon. Members were lobbied by constituents about cuts in physiotherapy services. I met Kate from Twyford, who told me that 2,500 physiotherapists will graduate this year and probably only 250 will get jobs because of cuts in the national health service. Last year, the Government encouraged universities to increase training places for physiotherapists. This year, more than 2,000 graduates will fail to get a job. When we return, may we have a debate on physiotherapy services?

[Mrs. May]

May we also have a debate in the autumn on Britain's influence in the world? Today's debate will concentrate on the middle east, but, on our role in world affairs, I was struck by the exchange between the Prime Minister and the President of the United States, which was reported earlier this week at the G8 summit. The Prime Minister offered to visit the middle east to

> "try and see what the lie of the land is".

The reply was:

> "I think Condi is going to go pretty soon."

What did Prime Minister say?

> "Well, it's only if, I mean, you know, if she's got a, or if she needs the ground prepared, as it were. Because obviously if she goes out, she's got to succeed, if it were, whereas I can go out and just talk."

What a revelation. That was the Prime Minister of the United Kingdom speaking. First, it tells us what we have always known: the Prime Minister does not do anything, he simply talks. Secondly, what does it say about the UK? My noble Friend Lord Hurd once described Britain as punching above its weight in foreign affairs. Today, the Prime Minister sees himself as the warm-up act for the US Secretary of State. We need a debate on our role in the world.

May we also have a debate on ministerial responsibilities? A review of four Departments has shown significant failure to deliver. On ability to plan resources, prioritise and deliver value for money, setting aside the Home Office's poor performance, the Department for Constitutional Affairs and the Department for Work and Pensions were

> "Not well placed to address weaknesses, urgent action needed."

The Prime Minister's response was to say that the Departments' central headquarters would now focus on

> "high-level strategy and priority setting, managing performance and tackling failure and building up skills".

What on earth have they been doing for the past nine years?

Speaking of reviews, when the Government were first elected in 1997, the Prime Minister made much of his commitment to produce an annual report each year. On 18 July 2001, he said:

> "In respect of annual reports, it is important that we set out the Government's achievements and lack of achievements in whichever year we are in power."—[*Official Report*, 18 July 2001; Vol. 372, c. 280.]

The last annual report was published in 2000. When will the next one be published? May we have a debate before the end of the Session on the Government's record over the past year and a half?

As we are approaching the summer recess, I do not want to over-burden civil servants with this task, so I shall offer some suggestions on what the Government's annual report might cover. It could include U-turns on home information packs, self-assessment tax returns, council tax revaluation, prison building, sentencing policy and police mergers. It could cover abandoned projects such as hospital star ratings, regional assemblies and the abolition of the Lord Chancellor. Further subjects might include the information technology projects left in chaos at the Child Support Agency, the Rural Payments Agency, the Criminal Records Bureau, the Passport Office and the NHS—

Mr. Speaker: Order. The right hon. Lady is going rather wide of the business question.

Mrs. May: I am sure that the Leader of the House will ensure that all those issues will be addressed in the debate that, I hope, he will offer us on what the Government have been doing over the past year and a half. However, of all the areas in which we know that the Government have failed, we need to address the problems with the ID card scheme, the fact that fewer pupils from state schools are going to university, hospital closures, the wider gap between rich and poor, and the fact that the Deputy Prime Minister is a laughing stock, the Prime Minister is a lame duck and the Government are in paralysis. I wish the Leader of the House and all right hon. and hon. Members a very happy and productive summer recess, and I join the Leader of the House in thanking the staff for all that they have done to support us over the past year.

Mr. Straw: I thank the shadow Leader of the House very much for her remarks and compliments, which I take in the spirit in which they were intended. I hope that one of the things that she does over the recess will be to sack the person who writes her lines. I say that in a spirit of great affection for the right hon. Lady, but, honestly, after putting her up to do that awful number on pop song titles—which turned out to be inaccurate—and now this stuff, he really ought to be sacked.

I shall now deal with the questions that the right hon. Lady raised. She asked whether notice of written ministerial statements would appear in advance, and the answer is yes. Notice will appear in the normal way in the Questions Book—the blues attached to the Order Paper—alongside the notice of questions. I will also talk to the Clerks Office, to the right hon. Lady and to the Liberal spokesman, the hon. Member for Somerton and Frome (Mr. Heath), about whether we can arrange for Members to receive electronic notice, particularly of the written ministerial statements, as Members will be at a distance. I want to ensure that this experiment works.

The right hon. Lady asked whether there would be an opportunity for a statement on the crisis in the middle east. The answer is that there are Foreign Office questions next Tuesday, so hon. Members will have every opportunity to question my right hon. Friend the Foreign Secretary and her ministerial colleagues. The right hon. Lady also asked whether there would be a debate on international development before the end of the parliamentary Session. The answer is that we hope so, but, given the other pressures on the parliamentary timetable and the buffers of the Queen's Speech, I cannot guarantee it. However, we will do our very best to have such a debate either soon or in the run-up to the Queen's Speech, this side of the year.

The right hon. Lady made some remarks about the health service. I have been looking at the health service in her own constituency. There is greater competition for jobs in health care because we have greatly increased the number of places available. There used to be complaints that we were recruiting so many people from overseas. These days, thanks to the dramatic increase in places for nurses, for doctors, for paramedics and for physiotherapists, most recruitment can take place in the UK. Yes, of course there is competition, but I simply do not believe these statements that thousands of new staff will be unemployed. That is not the case at all. Meanwhile, I note that, in the Windsor, Ascot and Maidenhead Primary Care Trust, there has been a 5.2 per cent. increase above inflation in real terms in a single year, and that the trust received three stars for its latest performance. In the same area, waiting lists are down by 10 per cent. since June 2002. It is very odd that that was not mentioned just now.

In relation to the Home Office capability review, the right hon. Lady did not mention an increase of 440 in the number of police officers in her area and, of course, a big drop in crime. She did mention the DFES. Astonishing additional resources have been devoted to education, with primary school and secondary school results both up. She criticised the DWP's capability review, as a result of which unemployment in her area has been cut by more than half in nine years and long-term unemployment by two thirds.

Lastly, the right hon. Lady asked about a debate on Britain's influence in the world, which I would be absolutely delighted to have. I make no criticism of one of my distinguished predecessors, both as Foreign Secretary and Home Secretary, Lord Hurd, but it is impossible to survey the past nine years without recognising that Britain's influence in Europe, the middle east and across the world has greatly extended and increased compared with the previous 18 years.

Mr. Jim Devine (Livingston) (Lab): Has my right hon. Friend seen early-day motion 2601, tabled in my name and that of many other Members?

[That this House calls on insurance companies to take action to reduce the travel insurance premiums charged to people who have suffered from serious diseases such as cancer; notes that premiums for people in such a position can be many times higher than otherwise quoted; and calls for action to be taken to lower premiums so that insurance costs do not prohibit former patients from travelling abroad.]

The early-day motion concerns the excessive charges that insurance companies make to clients who want to go abroad and who have had serious illnesses but are in remission. For example, James Timmons in my constituency, whose case is highlighted in the *Daily Record* today, received a minimum quote of £350 for insurance cover to go on holiday. That is more than the price of the holiday. May we have a debate on this issue?

Mr. Straw: I commend my hon. Friend for raising this important issue. The truth is that it is our poorer constituents who get ripped off in this way. I am glad that he has raised the matter, and I will be pleased to draw it to the attention of my right hon. Friend the Chancellor, who has responsibility for regulating the insurance industry.

Mr. David Heath (Somerton and Frome) (LD): I thank the Leader of the House for giving us the business. I am delighted that, even at this stage in the Session, it is not too late to introduce a new Home Office Bill, the Corporate Manslaughter and Corporate Homicide Bill, on Tuesday 10 October.

I think that the Government intend to move a carry-over motion for the Welfare Reform Bill on 24 July. Carry-over is normally by agreement between all parties, so some discussions are necessary before the motion is moved. Before we get to that point, will the Leader of the House ensure that the Committee stage of that very important Bill is not truncated by Prorogation or for any other reason? Secondly, can it be ensured that the Committee has the necessary draft orders, which form a large part of the substance of the Bill, from the start of its proceedings?

I welcome the Leader of the House's comments about questions during this over-long recess. The ability to put questions is important, and the ability of the Government to answer them equally so. Their record is not good over recent years. I put a named day question to the Home Office, inevitably, for 3 May, and did not receive a reply, which said that it was not prepared to answer me, until 13 July. The Treasury is even worse. My hon. Friend the Member for Yeovil (Mr. Laws) tabled 15 questions for answer on the very important matter of fraud in the tax credits system, and received a single reply on Wednesday that did not answer the specific points raised. This is a key issue. If we are to hold the Government to account, there must be an understanding among Ministers and civil servants about what comprises an adequate response to a parliamentary question. Will he speak to his Cabinet colleagues and the head of the home civil service to ensure that proper answers are given?

I welcome this afternoon's debate on foreign affairs. It is essential that we debate the grave situation in the middle east.

Let me say in response to what was said by the right hon. Member for Maidenhead (Mrs. May) that there has been a change of emphasis in Foreign Office policy even since Monday, when the Minister for the Middle East, the hon. Member for Pontypridd (Dr. Howells), made what I thought was an extremely well-balanced statement to the House. We heard the Prime Minister's replies on the same subject yesterday. As I have said in a speech on home affairs, we are not a wholly owned subsidiary of the United States, and our foreign policy must not appear to be dictated by the White House. That is an important issue, and I hope the debate will explore it.

I know that the right hon. Gentleman will spend the recess on his soap box in Blackburn; I will spend it undertaking my usual tour of the 120 or so villages in my constituency. I know already that the questions I will be asked will be about closures of sub-post offices, the state of agriculture, police amalgamations, and the fact that although record amounts are being spent on the health service, hospital wards are still being closed.

Will the Leader of the House ensure that on our return we debate all those important issues, so that I can tell my constituents "Fear not, your concerns will be raised as soon as Parliament resumes in October"?

Mr. Straw: I am glad that the hon. Gentleman welcomes the introduction of the Corporate Manslaughter and Corporate Homicide Bill. It has

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been a difficult Bill to get right. I began the process back in 1997, after the Southall train crash. I hope the hon. Gentleman will bear in mind his welcome for the Bill when his colleagues next start delivering cheap shots about the number of Home Office Bills that have appeared over the past nine years. They say that there have been 54 of them, and indeed there have. The question is, which of those Bills should not have been passed?

Mr. Heath: The ones we voted against.

Mr. Straw: It is helpful to have that on the record. Many of the Bills that the hon. Gentleman voted against are the ones that are protecting our citizens and helping us to reduce crime. I am glad to have secured that admission from him.

The Welfare Reform Bill is one of two measures that we intend to carry over. I hope that that can be agreed, but if it cannot, it cannot. The purpose of carry-over has been accepted by the House, and it is very sensible. It should be borne in mind that it does not make it any easier for Government to pass legislation, because we have to ensure that it is passed within 12 months of the date of its introduction; and of course the Bill will have a normal Committee stage.

I recall hearing my right hon. Friend the Secretary of State for Work and Pensions say that he would do his best to ensure that the principal draft orders were presented to the House, but I do not think he said that all of them would be. I will pass on to him what the hon. Gentleman has said.

As for Home Office questions, my right hon. Friend the Home Secretary is present to make his daily statement or speech to the House. I am sure we all welcome that, but only those of us who have held my right hon. Friend's portfolio quite understand how it feels to wake up each morning and hear five stories about the Home Office, one of which you may know about, four of which you have not the first idea about, and all five of which you must answer for during the rest of the day. Nevertheless, my right hon. Friend heard what the hon. Gentleman said about the backlog of questions, and I can say on his behalf that he and his colleagues have made every effort to clear it.

Ministers and officials must recognise the need for questions to be answered, but Members must recognise—and I am pleased to say that it has been recognised in all parts of the House—that if the Order Paper is overloaded with questions in industrial quantities, tabled by researchers and in some instances unseen by the Members concerned, there are bound to be logjams. It is a real problem. I am glad to see that Members agree with that.

I am assiduous, as are all my colleagues, in ensuring that questions are answered whenever possible, but we have a problem in the House with researchers trying to prove a point, and with the TheyWorkForYou.com website, which seems to measure Members' work in quantitative rather than qualitative terms. That is an issue for the whole House, not just for Ministers.

As for my soap box in Blackburn, I was indeed on it on Saturday and, I am pleased to say, received approbation—as ever—for what had happened on 8 July, after 18 years of my campaigning and being given the raspberry. In 1998 my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson), then Secretary of State for Health, announced that there would be a new hospital in Blackburn. It has now been built, £140 million has been spent on it, and on 8 July it opened for business. That was a great day for a Labour Government and the people of Blackburn.

Mr. Frank Doran (Aberdeen, North) (Lab): My right hon. Friend mentioned the Corporate Manslaughter and Corporate Homicide Bill. It will be warmly welcomed, particularly in the workplace. I am especially pleased to learn that Scottish measures will be included, because I believe that in Scotland we have one of the highest rates of industrial death and injury. It is important for the Bill to complete its passage. My right hon. Friend mentioned the possibility of a carry-over; it is clear from the timetable that he has announced today that that will be necessary, and I hope that he will make every effort to ensure that it happens.

Mr. Straw: I guarantee that the Bill will be carried over, and I am glad that my hon. Friend welcomes it. I should explain that while many aspects of criminal law are devolved, the Bill involves health and safety, and the House decided in the Scotland Act 1998 that those matters were reserved. There has, however, been substantial consultation with the Scottish Executive.

Anne Main (St. Albans) (Con): The Government's avowed intention is to create further rail freight interchanges. I have met 400-odd constituents who are extremely concerned about the possibility of a 3.5 million sq ft interchange in the constituency. I would welcome an urgent debate on the future of rail freight and the positioning of rail freight interchanges, and I hope very much that the Government will have time to provide one.

Mr. Straw: The hon. Lady raises a legitimate point, but it underlines the conflicts with which we must all deal. I have been in the House for quite a long time, and year after year there are debates in which Members call for more freight to be carried by rail. We are all up for that, but of course it means that there must be interchanges with roads, and those facilities must go somewhere.

I will convey the hon. Lady's concerns to my right hon. Friend the Secretary of State for Transport and to my right hon. Friend the Secretary of State for Communities and Local Government, who deals with planning, but I hope she believes that in principle it is a good idea for more freight to be carried by rail. The amount of rail freight has increased considerably during the past nine years, and, as I have said, the interchanges must go somewhere.

John Battle (Leeds, West) (Lab): As chair of the all-party group on poverty, I wish to draw my right hon. Friend's attention to early-day motion 2529, entitled "Lunch expenses for unemployed volunteers".

[That this House believes that volunteers play an important role in building and empowering communities and that volunteering should be encouraged for all;

supports job seekers and the unemployed who make time to volunteer whilst also seeking employment; notes with dismay the recent Department for Work and Pensions booklet that states that volunteers on Income Support or Job Seekers Allowance will not normally be entitled to claim lunch as an expense; is concerned that the long-standing reimbursement of volunteers as a way of appreciating and recognising their input may be undermined; is further concerned that those least able to afford volunteering are more likely to be discouraged from doing so if reasonable expenses are not provided; notes that volunteering should not be considered 'basic needs'; and calls on the Department for Work and Pensions to promote volunteering as a benefit to job seekers and their communities, for which volunteers should have the right to claim reasonable and essential expenses.]

This may seem a small matter. The motion refers to a booklet produced by the Department for Work and Pensions, "A Guide to Volunteering While on Benefits". The booklet is welcome, but buried in it is a small change in the guidance: the withdrawal of lunch expenses as a legitimate reimbursable claim. That will prevent many people on benefits from being able to volunteer.

I think all Members will agree that volunteering is a route back to contact and work. The matter is urgent, because the Government are introducing changes in incapacity benefit—which I hope we all support, because they will encourage people to return to work. If that small change in the guidelines were amended during the summer, while we are away, it would open up opportunities rather than closing them down.

Mr. Straw: My right hon. Friend has made an important and persuasive point, and I take it on board. I promise that I will speak personally to my right hon. Friend the Secretary of State for Work and Pensions and propose that the change be made.

Mrs. Iris Robinson (Strangford) (DUP): When the House returns, will the Leader of the House provide Government time, as a matter of urgency, for us to discuss the ramifications of the Government's decision to allow civil partnership couples in Northern Ireland to apply to adopt children in care, and the serious impact that it will have on the children in particular and on society as a whole?

Mr. Straw: I note the hon. Lady's point of view, and I know that there are strong opinions on all sides. On the basis of my knowledge of the working of the adoption system, at least in Great Britain, I can say that the adoption authorities have the strictest duties—and in any event take the strictest care—not to permit adoptions unless they are satisfied that they are in the interests of the children concerned, and the courts would not do so either.

Keith Vaz (Leicester, East) (Lab): Has my right hon. Friend had the opportunity of looking at early-day motion 2595?

[That this House congratulates Amitabh Bachchan on being awarded an honorary degree from De Montfort University, Leicester; notes his towering contribution to Indian cinema having received 10 Filmfare awards and being named BBC Star of the Millennium; recognises his work as a goodwill ambassador for UNICEF and as former member of the Lok Sabha, lower house of the Indian Parliament; and hopes that the award will continue to strengthen ties between the UK and India.]

Will he join me in congratulating Amitabh Bachchan on getting his honorary degree from De Montfort university? Can we have a debate on the creative industries and the importance of links between Britain and India—not just in respect of the film industry, but in respect of the exchange of overseas students, which the degree personifies?

Mr. Straw: I have indeed seen that early-day motion and I had the pleasure of meeting Amitabh Bachchan earlier today. I congratulate my hon. Friend on what he has done for the creative industries both in India and in this country. If we could find the time, I would look forward to a debate on the creative industries, which are a major part of our export effort these days. It was interesting to learn from my hon. Friend that the Indian film industry, Bollywood, now uses many UK facilities because of their world-class excellence.

Bob Spink (Castle Point) (Con): I wish the Leader of the House and the whole House a good summer. I hope that the right hon. Gentleman is enjoying the weather and that people will make good use of sun creams, because 60,000 people are diagnosed with skin cancer and 1,700 die from it every year, with most of the damage done in childhood. However, sun creams are not classed as health products, which they should be, so they attract VAT. Can we have a debate in order to exercise the Chancellor on this matter and get VAT removed from these essential health care products?

Mr. Straw: Let me deal with the hon. Gentleman's serious point first. It is extremely important for people to use proper sun cream or other sun blocks. It is not for me to speak on our VAT policy, but I will pass on the hon. Gentleman's point. Secondly, reference was made earlier to my soap box sessions in Blackburn, which depend on good weather—indeed, they take place only in good weather. My constituents have often heard me refer to the sunshine and to the fact that there has been a lot more sunshine since people voted Labour in 1997.

Tony Lloyd (Manchester, Central) (Lab): May I once again refer to the Corporate Manslaughter and Corporate Homicide Bill? It will be strongly welcomed by the many people who have lost family members in workplace deaths, particularly when caused by reckless employers from the Herald of Free Enterprise to the railway disasters, although they can sometimes be caused by the smallest firms in the backstreets of our towns and cities. In view of the wise decision on mesothelioma in the Compensation Bill and the progress made on the Warwick agreement, will my right hon. Friend consider having a debate between now and next Tuesday on the rights of employees at work and the role of the trade unions and the Government in working together to produce a better Britain?

Mr. Straw: I would like to have a debate on that but, sadly, I do not think that we have the time between now

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and next Tuesday, which is a shame. I should have said earlier to several hon. Members who raised the issue that the summer recess Adjournment debate on Tuesday offers the opportunity to raise these important matters. I am grateful for the welcome for the Corporate Manslaughter and Corporate Homicide Bill. The ultimate test of its success will not be the number of convictions that follow it, but whether it changes the behaviour of business managers, resulting in far fewer deaths from the sort of major accidents that we have seen in the past.

Sir Nicholas Winterton (Macclesfield) (Con): I warmly congratulate the Leader of the House on his announcement of the tabling of named-day written questions during the recess, which partly meets the recommendations of the Procedure Committee a year or two ago. Will he give an assurance that that facility can be extended in future years?

I am happy to join in the House's general euphoria about the approaching recess and to add my good wishes to those of others. I also warmly thank the Government for the announcement made at Farnborough air show about the award to BAE Systems of a contract for 12 Nimrod MRA4 aircraft. On behalf of the management and work force, I am most grateful to the Government. However, that leads me to my real question. Will the right hon. Gentleman find time for a debate on manufacturing industry and the different sectors of manufacturing that are of strategic importance to this country? Having such a debate at the earliest opportunity is vital. Manufacturing is in difficulty and we must maintain the strategic sectors for the benefit of this country's security.

Mr. Straw: I thank the hon. Gentleman for his comments on the introduction of new arrangements for parliamentary questions. I intend that when we return in October, we have the opportunity to debate the summer recess, which is a matter for the House rather than the Government. The experience of the new arrangements for parliamentary questions and written ministerial statements can be taken into account in those debates. I thank the hon. Gentleman for being one of those people who have prodded me on the issue.

On BAE Systems, I also declare an interest in that many of my constituents work for the organisation and I am glad about the announcement. I am also happy to pass on the request for a debate on manufacturing, which faces a paradoxical situation. For example, car production is not quite at its peak level, but at 1.6 million units, it is well above the trough of 900,000 to which it fell in the early 1980s, and we are exporting cars around the world. Aerospace is a world beater and both the Chancellor and the Secretary of State for Trade and Industry are well seized of the importance of maintaining manufacturing's output, albeit in a context in which employment levels may well reduce. One of the key challenges is to see increases in productivity beyond the trend rate.

Jessica Morden (Newport, East) (Lab): I believe that the Department of Health is about to publish its review of communications systems in hospitals, which includes looking into the exorbitant cost—up to 49p a minute—of telephone calls from patients in hospitals. That greatly concerns my constituents, so will my right hon. Friend make time for a ministerial statement when the report is published?

Mr. Straw: I am grateful to my hon. Friend. The issue was also the subject of a critical report last week, so I will pass on her concerns.

Mr. Peter Bone (Wellingborough) (Con): In a recent parliamentary answer, it was stated that in 2004 there were 103,000 prescriptions for diamorphine hydrochloride, falling to 61,000 in 2005 due to a shortage of supplies. That has led to seriously and terminally ill patients not being able to receive the pain relief that they so desperately require, resulting in unnecessary suffering. Will the Leader of the House ask the Secretary of State for Health to make a statement before the summer recess?

Mr. Straw: I understand the seriousness of the hon. Gentleman's point. I will not be able to get the Secretary of State to come before the House, but I will certainly ensure that she knows about the hon. Gentleman's concern.

Mr. Chris Mullin (Sunderland, South) (Lab): I welcome the announcement that we will be able to table some written questions during the recess and that some statements will be made in September, but I put it to the Leader of the House that the ability to table written questions is no substitute for the House actually sitting. Does he share my hope that this will be the last of 75 to 80-day recesses, which bring us into such discredit with our constituents? Can we revert to the system that, after all, the House agreed to previously?

Mr. Straw: I know that my hon. Friend feels very strongly about that matter. May I say that, since I uttered some words in his support, I have rather felt that a fine career was about to go down the tubes as a result? It is absolutely clear that as the House took the original decision in 2002, any change to it must be made by the House. I am sure that my hon. Friend will not expect his view to receive unanimous support.

Pete Wishart (Perth and North Perthshire) (SNP): Has the Leader of the House seen the opinion poll in Scotland's largest selling Sunday newspaper, the *Sunday Mail*, which showed that one third of English people now want independence for England? They join the more than half of Scots who want Scottish independence. Does the right hon. Gentleman recognise that that represents a seismic shift in the relationship and arrangements between our two nations? Does he also recognise the frustration felt in England about the current constitutional arrangements between Scotland and the rest of the UK? Given that the Conservatives chickened out of a debate on that matter, will the Government hold a debate as soon as we return after the recess?

Mr. Straw: We have had loads of debates on that, but I am always happy to debate it. What I find, not least on my soap box in Blackburn, is that people understand how profoundly damaging such changes in the way this House operates would be, with a two-tier system of Members of Parliament and extraordinary legal arguments about whether a matter was English or Scottish. Scotland benefits from the Union, and so does England, and it would be to the detriment of the whole of the United Kingdom if we were to follow the irresponsible path proposed by the Leader of the Opposition last month—but not this month—for a two-tier system of Members of Parliament.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): As I go around my constituency, I note with great pride the improvements in education. Regrettably, I spot a cloud on the horizon, although it is no bigger than a man's hand at present. Can we bring my right hon. Friend the Secretary of State for Education and Skills to the House to deal with reports that suggest that the Government, through officials, are telling local authorities with school building programmes that they will not be successful unless that programme includes a commitment to an academy? Does my right hon. Friend realise that such a stand-off between the Government and local authorities condemns some of our children to schools such as those in my constituency that badly need replacing—for example, Heath Park—and perhaps delivers us into the hands of religious bigots, from whom children will not benefit, or indeed those who have £2 million to buy a school and whose egos need assuaging?

Mr. Straw: I know of no case in which an academy has been established and religious bigots have been involved. I understand my hon. Friend's concern, however, and I will ensure that my right hon. Friend the Secretary of State for Education and Skills is fully apprised of it.

Mr. Edward Garnier (Harborough) (Con): I know that the Leader of the House does not have a photographic memory, and he is probably unable to recall precisely the length of time it took for written parliamentary questions to be returned by his Department when he was Home Secretary. I appreciate what he said a few moments ago about the improvements that the Home Secretary is trying to engineer with regard to the length of time taken, but increasingly the Home Office is answering written parliamentary questions by saying that the information is not kept centrally and could not be provided without incurring disproportionate cost. Will the Leader of the House investigate that rubric to see whether it is simply a way of avoiding responsibility for answering the question and keeping proper information? Could he also assure me that the named-day system with which he will experiment in September does not lead to a named day in October? Will he also encourage—

Mr. Speaker: Order. The hon. and learned Gentleman is pushing his luck.

Mr. Straw: My right hon. Friend the Home Secretary is in his place and he takes the same approach to parliamentary questions as I do: if the information is available or can be extracted from the Department, it should be provided. The last accusation that can be made against my right hon. Friend—or against me five years ago—is that he is keeping bad news from the House. He is presiding not over cover up, but an open up in the Home Office.

On named-day questions, the idea is that three days will be named—Monday, Wednesday and Friday—in the first week of September for tabling the questions and the corresponding three days in the following week for answering them. I hope very much that they are all answered. My right hon. Friend will also confirm that I make myself unpopular with Cabinet colleagues if they do not answer questions on time.

Mr. Ian Austin (Dudley, North) (Lab): May I draw my right hon. Friend's attention to the *Express and Star* and its superb campaign to highlight the noise, nuisance and danger caused by the illegal and antisocial use of motorbikes and mini motorbikes? Will he consider arranging a debate on the issue so that we could discuss how we can impose restrictions on their sale or a proper registration system, so that we can clamp down on those teenage Evel Knievels who disturb my constituents' peace and quiet and put at risk people using parks and open spaces for recreation or to walk their dogs?

Mr. Straw: My right hon. Friend the Home Secretary has just told me that tough measures are planned for such bikes. They are a real nuisance across the country and I congratulate the *Express and Star* and my hon. Friend on that campaign.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): The Leader of the House will be aware of the appalling decision by the Qualifications and Curriculum Authority to deny support services to deaf candidates taking exams in English and foreign languages, in many cases automatically depriving them of up to 20 per cent. of their marks, as drawn to the attention of the House in early-day motion 2615.

[That this House expresses concern that the Qualifications and Curriculum Authority will be removing certificate indications and exemptions from the aural section of GCSEs and A-Levels in foreign languages and GCSE English examination for deaf students in the United Kingdom; notes that the facility to use an oral communicator will be withdrawn in examinations for deaf students who use an oral/aural approach, meaning that those children will immediately risk losing at least 20 per cent. of their marks; regrets that these changes have been introduced with little understanding of the impact they will have on deaf and hard of hearing young people; believes that these changes discriminate against the country's 35,000 deaf children and that the current skills and training gap between deaf and non-deaf people will increase resulting in lower employment rates or lower grade work for disabled people; and calls on the Qualifications and Curriculum Authority to re-instate certificate indications for deaf candidates and human aids to communication for those that need them, to conduct a time-bound formal review into competence standards including how disabled candidates can demonstrate their competence using reasonable adjustments and to fulfil future legal obligations under the Disability Equality Duty to consult with disabled people and organisations representing

[Danny Alexander]

disabled people before carrying out any further changes to examination arrangements for deaf and other disabled children.]

Given that that decision will influence the choices that many of those students make about which exams to take, will the Leader of the House ensure that the Secretary of State for Education and Skills makes a statement to the House before the recess, reversing that decision or otherwise restating the Government's policy on it?

Mr. Straw: I am very sympathetic to the points raised because, as the hon. Gentleman may know, I suffer from deafness. Indeed, I could not hear part of his question because it came from the wrong side, so I understand the problems. There will be an opportunity to raise the matter in the debate on the summer Adjournment on Tuesday, and I hope that he does so.

Mr. Gordon Prentice (Pendle) (Lab): My Friend the Prime Minister hinted a couple of weeks ago that there may be some fresh thinking on how the Government would consult the House on Trident. May I remind him of what we are demanding? We want a Green Paper setting out the options and we want a vote in this House.

Mr. Straw: On the issue of timing, my hon. Friend, who is never impatient, will know that I cannot serve up a Green or White Paper now, but there will be a statement in advance of any debate. The position was set out by my right hon. Friend the Prime Minister two weeks ago, when he pointed out—as my hon. Friend will recall—that we were the first Government to give the House a vote on a decision to go to war. Of course, we should involve the House fully in a decision as important as the renewal of our nuclear deterrent and in practical terms it is inevitable that there will therefore be a chance for the House to express its view on that important matter in a vote.

Mrs. Maria Miller (Basingstoke) (Con): I call on the Leader of the House to arrange an urgent debate on the issue of permitted development rights and, in particular, how they relate to utility companies. The National Grid Company is planning a significant development of an electricity substation in an area of my constituency called Bramley Frith. Because of permitted development rights, the company does not have to make the details of the development known to the local community. The area is an important conservation area and the plans have already led to the closure of the only environmental education centre in north Hampshire, but no one can be held to account because the local community knows nothing about the plans. Will the Leader of the House arrange an urgent debate on the matter so that we may review the existing rules and try to make them more transparent?

Mr. Straw: The hon. Lady makes a strong case. Although the powers of public authorities in respect of permitted developments are limited, I am surprised that information has not been made available to her constituents. I will refer the matter that she raises to my right hon. Friend the Secretary of State for Communities and Local Government, and the hon. Lady may wish to raise the issue in the debate on the summer Adjournment on Tuesday.

Geraldine Smith (Morecambe and Lunesdale) (Lab): One of the reasons why people in the north-east of England did not support regional government was that they did not wish to see an extra layer of politicians. However, there is a need for more regional accountability, especially with so many quangos in operation. Will my right hon. Friend consider the idea—perhaps over the summer—of having Grand Committees of the regions or perhaps regional questions, or both?

Mr. Straw: As a fellow north-west Member of Parliament, I am happy to think about both ideas, without commitment.

Justine Greening (Putney) (Con): I wish to raise with the Leader of the House the tragic case of my constituent, Mr. Roy Harward, who is suffering from mesothelioma and to ask whether we may have a debate on the treatment of—not compensation for—that disease. One drug, Alimta, is licensed in this country to treat the symptoms and pain caused by mesothelioma. It can prolong life by two to three months, possibly more, but it is prescribed under a postcode lottery. If my constituent lived in Scotland, or the north-east or north-west of England, he could be prescribed that drug, but he has just had funding for treatment with Alimta refused by the local primary care trust. May we debate this issue in the House or have an urgent statement by the Secretary of State for Health, because it is unthinkable and unethical that my constituent is dying but cannot get the treatment he needs to alleviate his pain and prolong his life. There is no point—

Mr. Speaker: Order. The Leader of the House notes the hon. Lady's concern.

Mr. Straw: Such situations are tragic, and I commend the hon. Lady on the way in which she has raised the issue in the House. On this particular case, I understand that the National Institute for Health and Clinical Excellence—which, of course, covers England and Wales but not Scotland—has not until now approved the drug in question. I promise to write to my right hon. Friend the Secretary of State for Health and give her a full account of my exchange with the hon. Lady in order to draw this matter to her attention, and I shall ask her to look into it and to get back in touch with the hon. Lady. Meanwhile, the hon. Lady might wish to raise the matter in the debate on the summer recess on Tuesday.

Paul Flynn (Newport, West) (Lab): I tabled early-day motion 2591.

[That this House is exasperated at the four-year delay in depositing information in the Library despite an assurance on Afghan poppy eradication by a Foreign Office Minister on 14th May 2002 (volume 385, column 625) that 'details of the eradication programme, maps and a video of what has been done will be placed in the Library'; notes that, despite repeated requests by the hon. Member for Newport West and Library staff since

2nd May 2006, none of the material has been placed in the Library; further notes that 21 million compensation money appears to have been paid to the Afghan government but did not reach the farmers whom it was intended to compensate; and believes that absence of the programme, maps and videos will result in a further provocative injustice that will thwart the farmers' continuing efforts to obtain compensation.]

I tabled that EDM to persuade the Foreign Office to publish essential information required by Afghan farmers in a current compensation claim that they have against the British Government. In May 2002, a promise was made in an oral answer in this House that that information—videos and maps—would be placed in the Library. Despite the efforts of the Library and others, that information is still not there. Those farmers have been robbed: their crops were destroyed, and although £21 million of British taxpayers' money was paid to the corrupt Karzai Government, none of it has reached the farmers.

Mr. Straw: That happened under my watch as Foreign Secretary. I do not have all the details in my head, but I recall that the matter is slightly more complicated than my hon. Friend suggests. However, I will look into it with my right hon. Friend the current Foreign Secretary and ensure that either she or I get back in touch with him.

Several hon. Members *rose*—

Mr. Speaker: Order. We must move on to the next statement. I understand that there will be an Adjournment debate on Tuesday, so Members who have lost out now can perhaps try then.

Criminal Justice

12.21 pm

The Secretary of State for the Home Department (John Reid): Yesterday, I set out to the House our plans for transforming the Home Office, and I said that I would return to the House with two further sets of proposals, the first of them to rebalance the criminal justice system and the second to reform the immigration and nationality directorate. With your permission, Mr. Speaker, I shall today present to the House the results of my review of the criminal justice system—"Re-balancing the criminal justice system in favour of the law-abiding majority"—copies of which I have placed in the Library.

As I made clear in my statement yesterday, we are not starting from year zero. My predecessors and colleagues across Government have made substantial improvements in all aspects of the criminal justice system. The overall result of that is that crime is down by 35 per cent. since 1997. Offences brought to justice have increased by 27 per cent. to 1.27 million since 2002. There are more police officers on the streets than ever before. We have given local authorities tough powers to tackle antisocial behaviour in the battle to regain community space. We have also modernised legislation in areas such as asset recovery to ensure that organised criminals are hit where it hurts—in their pockets.

However, it is clear that there are still major issues to do with the way that the criminal justice system currently operates and—just as importantly—how it is perceived to operate. Too often, it appears that the criminal justice system is on the side of the offender—that it protects their interests and individual rights over those of the victim and the law-abiding majority. That has to change. All the proposals set out today have at their core the aim to rebalance the criminal justice system in favour of the victim and the law-abiding majority. They are set out in detail in the published plan, but I shall highlight a few of them to illustrate our direction and our intent.

We will put law-abiding people, victims and their communities first. When asked, only 36 per cent. of people say that they are confident that the criminal justice system meets the needs of victims, compared with 80 per cent. who believe that it is fair to the accused. We will take steps to redress that imbalance. For instance, we will reform the Parole Board so that all new members have experience of victims' issues. We will ensure that in serious sexual and violent cases, there is a victim's voice and decisions must be unanimous. We also aim to make violent offenders pay towards the health care costs of their victims, as offenders currently do for road traffic injuries, and to reform the law to make it easier for victims to sue offenders who later get a windfall.

We will act to prevent human rights—which are rightly held dear by all in this House—from being used by offenders to secure perverse outcomes that penalise victims and the law-abiding majority. In the 1996 Chahal case, it was found that the United Kingdom Government could not consider the protection of the public as a balancing factor when arguing the case for the deportation of a dangerous person. We believe that

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that goes against the fundamental principle in the Human Rights Act 1998 that individual and collective rights can and should be balanced against each other, and we are working with our partners in Europe to challenge that finding as vigorously as possible. We will also ensure, by legislation if necessary, that public bodies give proper priority to public protection when considering the individual rights of offenders. To support criminal justice agencies to counter misrepresentation and misuse of the Human Rights Act, we will ensure that criminal justice agencies' front-line staff get practical advice and guidance to dispel myths about the Act, and we will introduce a new online legal hotline to help them to do so. In addition, we will prevent criminals from abusing the law by restricting the ability of the plainly guilty to be released on appeal due to procedural irregularities.

We also need a sentencing framework that gives the public confidence. We have equipped the judiciary with new powers to allow judges to detain serious offenders indefinitely for the protection of the public, and over 1,000 of them have already been used. However, we must do more to reassure the public. Therefore, we will end the automatic one-third discount given to those caught red-handed and who plead guilty, irrespective of the circumstances. We will also remove the automatic discount offered to those resentenced on appeal, and we will end the requirement that judges should automatically halve the minimum term when setting the earliest release date for those serving unlimited sentences. The Lord Chancellor, the Attorney-General and I will consult on options on how to achieve that.

We must ensure that offenders comply. People's confidence in the criminal justice system is undermined when they see offenders deliberately flouting the rules. Therefore, we intend to speed up the recall to prison of those offenders who break the terms of their licence. We also intend to speed the return to court of people on bail who fail to attend by restricting the use of "warrants with bail", and to implement a presumption against bail for those who abscond or offend while on bail.

Another key area in the plan that we have published today is the focus on gripping offenders in order to better protect the public. We have 19,000 more prison places than in 1997, and about 7,000 more serious violent offenders are behind bars. It is clear to me—and, I am sure, to many in the House—that there are people in our prisons who should not be there. They range from foreign nationals to vulnerable women to those for whom mental health treatment would be more appropriate. I do not consider that what we propose in the plan is about being tougher or softer; it is about being fairer and smarter and, above all, about better protecting the public against the most serious offenders. As we make available additional capacity, we will ensure that these new resources are focused on the serious, violent and prolific offenders who ought to be in prison—sometimes for longer than they at present spend in prison. So we will ensure that we have the places that we need to protect the public.

We are embarking on 900 prison places by autumn 2007. We will expand prison places by an additional 8,000 to keep dangerous offenders in for longer. To make more space in prison for a tougher approach toward the most serious crimes, we will send more foreign nationals back to their own country to serve their sentences; speed up the court processes, which will mean that those not yet convicted spend less time on remand; and make better use of tagging for people on bail for less serious offences.

We must also do more to tackle the most prolific offenders, including drug users. The report details how we are overhauling our priority and prolific offenders and drug interventions programmes, with tougher conditions, tougher enforcement and new follow-up assessments. We will also clamp down on serious offending through measures that include increasing the maximum penalty for carrying a knife to four years, setting an ambitious new target for seizing the assets of criminals, and increasing the private sector's involvement in asset seizure.

For the vast majority of people, their world begins with what they see when they open their own front door, step into their own street and enter and move among their own communities. What is sometimes regarded as low-level offending and antisocial behaviour thus causes real harm, damage and fear. We must therefore ensure that we tackle this issue ever more efficiently, so that the public feel increasingly safer. To do that, I propose, among other things, to add to our present range of ASBOs by examining the provision of powers to close businesses that sell knives and spray cans to under-age consumers, as part of a major review of summary powers that we will publish later in the year. I also propose to introduce parental compensation orders in 10 areas from this summer to make sure that parents take responsibility for the damage that their children cause.

Finally, we need to ensure that all this is underpinned by a simpler, swifter and fairer system to support our rebalancing aims. My right hon. Friends the Lord Chancellor and the Attorney-General and I propose to work with practitioners across the criminal justice system to speed up magistrates court and Crown court processes; to expand the use of conditional cautions issued by prosecutors, without the need to go to court; to develop bulk processing arrangements for simple non-contested cases such as TV licence non-payment; and to use a variety of approaches to speed up justice, such as live television link pilots between police stations and the courts, next day justice and taking courts closer to local communities.

Today's plan is a comprehensive package of measures that builds on what this Government have done and reflects our ongoing commitment to public safety and the rights of the victim over the offender. I commend the plan to the House.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for advance sight of his statement and I agree with a good deal of what he has proposed. We have been calling for some time for changes to the automatic sentence reduction for a guilty plea, so we welcome that. We also oppose the automatic release of the most serious offenders halfway through their sentences, so we welcome that change, too. We of course agree with the Home Secretary's acceptance of our proposals for sentences on knife crime, and I further agree with the unanimity requirement for parole decisions, but I am amazed that members of the Parole Board do not already have experience of victims' issues.

I welcome what sounds like a more sensible approach to human rights, although I will wait to see whether it has more effect than previous similar statements on this issue. Here, I have a question for the Home Secretary. If the Chahal challenge does not work, what will the Government then do? Again, I am amazed that front-line staff do not already get clear guidance and training in dealing with human rights issues. Taken together, these proposals are the clearest possible admission that the Conservatives were right when we suggested, against repeated Government denials, that the Human Rights Act 1998 was causing serial legal problems.

Siobhain McDonagh (Mitcham and Morden) (Lab): So you are going to introduce a second one.

David Davis: Sadly, I cannot give way to Labour Members at the moment or I should be delighted to take that intervention.

The first duty of a Government is to protect the public and, on too many occasions in the past nine years, this Government have failed to do that duty. The Home Secretary says that he now wants to rebalance the system and I sympathise with him, but before rebalancing the system one has to understand it. As we saw a few weeks ago in the case of Craig Sweeney, the Home Secretary's understanding is different from the Attorney-General's. That, in turn, is different from the Prime Minister's, which, in turn, is different from the Lord Chancellor's. In the end, the Under-Secretary of State for Constitutional Affairs, the hon. and learned Member for Redcar (Vera Baird), was forced to give a written apology for the row that she engendered following the Home Secretary's lead. Let us hope that they all now agree on what to do about this problem.

Contrary to the Home Secretary's claims just now, under this Government crime has got worse, not better. Overall detection rates have dropped from 29 to 26 per cent., and, for violent offences, the fall is even worse: from 69 per cent. in 1997 to 50 per cent. today. For sex offences, the detection rate has more than halved.

Yesterday, the Home Secretary said that he wanted to reduce the bureaucratic burden on the police. I welcome that, so will he now commit to cutting the red tape, political correctness and targets coming out of his Department, and let the police get out on the streets and do the job? Annual crime figures out today show how desperately we need the police out on patrol deterring crime and catching criminals, not filling in forms in the station.

There are now almost 500,000 more recorded crimes a year than there were eight years ago. The number of violent crimes has more than doubled and there has been a seventh year-on-year increase. The justice gap—the difference between crimes committed and crimes cleared up, which a former Home Secretary, a former Lord Chancellor and a former Attorney-General all identified as the

"key measure of the effectiveness of the criminal justice system"—

has grown by more than 500,000 crimes a year. So much for this Government being tough on crime.

The Government's record on the punishment, rehabilitation and supervision of offenders is equally catastrophic. Our prisons are full to bursting, which is, after all, why we are here today to discuss this issue. Offenders have little chance of rehabilitation, and dangerous criminals are released early. Some 70 per cent. of young males are now reconvicted within two years of release—up from 56 per cent. Since 1998, more than 200 offenders on supervision have been convicted of murder. Those facts are direct results of Government policy. They have consistently failed to create enough prison places, instead choosing to release offenders early, thereby putting the lives of innocent citizens at risk.

Now the Home Secretary says that he will build more prisons, which we of course welcome. Will those extra places be enough—over and above the ongoing growth in the prison population—to accommodate the tougher sentences and guidelines that he is proposing today? When will those sentencing measures come into force? When will the new prisons be built and when will the 8,000 extra prison places be ready for use? I understand from press coverage that it will take five years to get these extra places on stream. What will happen meanwhile? Will there be more early releases of would-be murderers? Will there be more ridiculously light sentences for rapists and paedophiles? If, as he says, he is going to release other people, can he give us more details on who they will be?

Because the Government failed to spend money on prisons in the past, they have had to rely more and more on non-custodial sentences, and the record is truly dreadful. A massive 88 per cent. of young offenders on the Government's flagship intensive supervision and surveillance programme, supposedly the toughest alternative to prison, reoffended within 12 months.

The Home Secretary mentioned the concerns about drug treatment orders. Roughly 70 per cent. of offenders do not complete their orders, while 80 per cent. are reconvicted within two years. What is he going to do about the failing intensive supervision and surveillance programme and about the failure of drug treatment orders? Will he seriously consider our proposals for a tough residential treatment option for drugs users—ideally instead of prison, but even after prison? Drug addiction is probably the largest component in the increase in recidivism over the past several years.

I welcome the proposal to accelerate the processes in magistrates and other courts. From memory, I think that the time taken by magistrates courts has increased in the past five years by two working weeks, with the increase in Crown courts about double that. In both cases, the extra time is the result of the burdens, regulations and complex legislation that the Government have laid on the courts. It is time that that problem was put right.

As the Home Secretary just said, we are not starting from year zero. The Government have had nine years in office, during which time they have been long on promises but short on delivery. The simple truth is that

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we have heard all of this before. I enjoyed the headline in today's edition of the right hon. Gentleman's favourite daily read, *The Sun*. It cries out, "Blair Axes Soft Sentences". I enjoyed that almost as much as last year's version—"I'll Change Law to Curb Thugs"—or the one of the year before—"Blair's Plan to End the Anarchy on Our Streets". Similar headlines appeared in the several preceding years, but what has happened? The problem has got worse, not better. So here we are again, facing the same problems, but with a different Labour Home Secretary claiming to have the solutions. The right hon. Gentleman talks a good story, but so did his three predecessors.

I am sorry that the Leader of the House has left the Chamber, as he started the Labour tradition of talking tough on crime. The right hon. Member for Sheffield, Brightside (Mr. Blunkett) refined the art—boy, did he talk tough on crime. So did the right hon. Member for Norwich, South (Mr. Clarke), and the tabloids loved them. If speeches caught criminals, we would have swept the streets clean of lawlessness by now. Those three former Home Secretaries are the ones who presided over the disaster that we are witnessing today, because talk was all that they had to offer. Let us hope that, from this Home Secretary, we will get action, not words.

John Reid: I thank the right hon. Gentleman for the kind words with which he welcomed my statement and for his support for some of the proposals in it. He asked whether we would consider other measures that he has looked at, and I can tell him that I am open-minded and always prepared to consider any measure that will protect the public better.

I fear that the right hon. Gentleman probably wrote parts of his speech before he heard my statement. [HON. MEMBERS: "No."] I said specifically that this was not a question of being tougher or softer, but of being smarter and better at protecting the public. I am interested in the objective effect of what we do, rather than in the talk, tough or otherwise, that surrounds it. He invited me to draw a comparison between his tough talk and some of the Opposition's actions, and I shall do so towards the end of my response to his remarks.

The right hon. Gentleman is right to say that many members of the Parole Board have experience of being a victim in their normal lives. Not all of them do, however, and we want to ensure that all members have that perspective. That is why we want make that true of every new member.

On human rights, I said that we would look at how legislation is misrepresented or misinterpreted, and at how it is administered. From even a brief survey, it is plain to me that human rights and other legislation can lead to misunderstanding. For example, the way that the Data Protection Act 1998 was applied led to problems in the pursuit of Huntley, while misrepresentation and misunderstanding of the human rights and other legislation were at the root of the release of Rice, who went on to murder Naomi Bryant.

We need to be prepared to make available practical facilities to counter the myths about human rights when they are misused or misrepresented in such a way that people feel that they must take a particular course of action. That is the rebalancing that I am trying to achieve.

The Leader of the Opposition has proposed to solve the problem of the European convention on human rights not by amending or getting rid of it, but by introducing yet another Bill of Rights. That is the last thing that we need—a Bill of Rights that could contradict the ECHR. Anyway, that proposal was just another gimmick, like his views on antisocial behaviour, and did not last 24 hours, far less the tenures of three successive Home Secretaries.

The right hon. Member for Haltemprice and Howden (David Davis) mentioned the discussions that have taken place between the Lord Chancellor, the Attorney-General and myself on sentencing. The truth is that we have reached agreement on this matter. For instance, judges have no discretion when it comes to the mandatory 30 per cent. reduction in sentences that a guilty plea earns. That reduction applies irrespective of the circumstances in which a person is caught: even someone who is caught in flagrante will get that sentence reduction through pleading guilty. We are sometimes accused of taking discretion away from judges, but in this case we are giving it back to them.

The right hon. Gentleman spoke about prison places. He likes to have it both ways: if we do not put people in prison, we are accused of being soft, but if we do, the complaint is that our prisons are bursting. I want to put the following on the record. There are now 19,000 more people in prison, many of them serious, violent or sexual offenders, than was ever the case under the previous Conservative Government. Moreover, sentences are much longer than they used to be under that Government. Of course we must look carefully at who is in prison but, when it comes to putting people behind bars, I am afraid that the Conservatives give us only the usual tough talk and soft-centred voting.

I thought that sentencing might come up today, so I have brought with me the Conservative voting record on the tough measures that we have introduced. The early removals scheme allows foreign national prisoners to be deported halfway through their sentences, but the Conservatives voted against it. The Criminal Justice Act 2003 introduced tougher sentences for murder and for sexual and violent offences, and for persistent offenders, but the Conservatives voted against them. We brought in indeterminate sentences for people who have committed a serious sexual or violent offence, but the Conservatives voted against them. We introduced the new five-year minimal custodial sentence for unauthorised possession of a firearm, but the Conservatives voted against it. I could go through the whole list, but it is clear that, as ever, the Opposition talk tough but vote soft. The overall 35 per cent. reduction in crime since we took over from the Conservatives is a mark of this Government's effectiveness.

We do not claim that our performance is perfect, and that is why we review and upgrade it continually. However, it is a damn sight better than what we inherited from the previous Government.

Several hon. Members *rose*—

Madam Deputy Speaker (Sylvia Heal): Order. May I ask hon. Members to restrict themselves to one supplementary question that elicits a brief reply? In that way, more may succeed in catching my eye.

Mr. John Denham (Southampton, Itchen) (Lab): I welcome much of what my right hon. Friend said. If we want to be smarter, rather than simply tougher, we must recognise that our prisons are full and hold many of the wrong people, and that the prison regime offers precious little chance that prisoners can be rehabilitated and brought back into stable jobs and family life when they leave. My right hon. Friend must have secured a significant amount of new money: how will he use it to transform the prison regime, so that it places a much bigger emphasis on work and a disciplined working day, and on returning people to working life after they leave prison?

John Reid: I take my right hon. Friend's point that protection and punishment have to be accompanied by rehabilitation not only because that is good for the individual offender or prisoner, but because that contributes to the protection of society by a reduction in reoffending. That is why I am pleased that, last year, 79,000 prisoners—I think that was the figure—were involved in some form of qualification and skill enhancement. I want that to be advanced. The extension of places and the release of pressure on the prison system itself, which in its most fundamental aspects is intended to reduce the potential for overcrowding, always extends the possibility of carrying out such skills enhancement. I saw an element of that when I was in Wandsworth prison, where some of the skills that will be necessary to prepare for the Olympics in London—for example, plastering and bricklaying—are being introduced, in partnership with private sector firms in the building industry, which will employ offenders when they are released. That is the way forward.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I thank the Home Secretary for advance notice of his statement, although I saw from my early edition of *The Sun* that others had received versions of it even before we had in the House.

Much of the Home Secretary's statement is arguably too little. Quite a lot of it is too late. None the less, significant parts of it are welcome. I welcome, for example, the almost surprising rhetoric that he has displayed today about prisons. He has recognised, I think for the first time, that there are people in our prisons who should not be there, including vulnerable women and those who need treatment for mental health conditions. Rather than announcing new multi-million pound budgets for investing in bricks and mortar for new prisons, does he not think it would be worth investing that money in bricks and mortar for new secure mental health treatment centres, where those offenders could be more adequately housed, dealt with and rehabilitated? Equally, there is a strong case to invest far more in visible and rigorous public punishment sentences in the community. He will be aware that, in 2004, for example, over 50,000 lesser offenders served no more than an average of eight weeks in prison. Surely it would be better to have them punished and rehabilitated for the benefit of our communities, rather than them spending a few stopover weeks in prison.

The Home Secretary should be mindful that the Home Office's own research 10 years ago or so showed that, if we wanted to reduce the overall level of crime by 1 per cent., we would need to increase prison capacity by 25 per cent. That statistic itself shows that there are limits to how much the Government can build itself out of the present prison overcrowding crisis.

I am relieved to see that the Home Secretary and other members of the Government appear to have resiled from the early tub-thumping rhetoric against the Human Rights Act 1998 and the European convention on human rights, and that that approach has apparently been abandoned in favour of a more intelligent emphasis on the training and support needed for officials who have to interpret the Act. Next time there is a controversy over an issue as important as human rights, could he and his colleagues refrain from jumping on the media bandwagon and arrive earlier at the correct conclusion that he has appeared to arrive at today?

On sentencing, we agree, of course, that we need to give judges more discretion in setting the deductions for guilty pleas and in removing the automatic halving of the period of custody before release can be considered. I note, however, that those welcome moves merely undo rules that were introduced by the Government in legislation passed only a few years ago. I also welcome in principle the idea that Parole Board decisions on serious offences should be unanimous, although I suspect that in practice—I would like some clarification on this—that happens most of the time any way.

Can the Home Secretary explain why he has not gone further? Surely one of the greatest problems is that so many of the sentences handed down simply do not do what they say and that is one of the main reasons why public confidence in our sentencing system has been severely eroded. Life sentences, for example, do not mean life. Does he agree that public confidence would be considerably strengthened if a life sentence really meant life and applied to those cases where the courts judge that the offender should remain in custody for the remainder of his or her life?

John Reid: Again, I am delighted that the hon. Gentleman, despite the burden of his remarks, seems to find much with which he can agree in what I have said today. I am always gratified to see that that is the case on both Opposition Benches.

It is true that we should be spending more on health. From memory, the health budget has gone from £33 billion to £95 billion or thereabouts, including increases in mental health spending, so a considerable amount of money is already going into that sector, but the point about making sure that there are, in substance and in perception, sufficient prison places is this. It is the sine qua non for three things. The first is to ensure that those serious offenders who should be in prison for a long period for public protection purposes and for other reasons are kept there. Secondly, if we are to discriminate, in the proper sense, in order to relieve our prisons of the burdens of those who should not be there, it is important that the public believe that we are

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doing that for legitimate reasons and not just because we are short of prison places. Thirdly, I do not believe that the public will accept community service as a legitimate means of serving and repaying the community unless, again, they believe that it is being done for reasons other than a shortage of prison places. In short, more prison places is the sine qua non. It is the basic requirement for protecting the public better, ensuring that those who are in prison are the people who should be in prison and ensuring that there is a legitimacy to alternatives other than prison.

The hon. Gentleman raised human rights. I do not think that it is tub thumping to say that the public are utterly bewildered by some sentences. He himself talked about that in his last comments. The public are utterly bewildered. There are two reasons for that: first, the misrepresentation of human rights and, secondly, the judgments on the European convention on human rights by the European Court. I mentioned one of them earlier—the Chahal judgment. That is outrageously at odds with what we believe to be the correct balance of human rights as expressed in the Human Rights Act and as understood by everyone in this Chamber: the balance of the individual versus the community. That is why we oppose that. It is not a matter of tub thumping. It is a matter of saying that there are substantial problems; there are problems that we must look at not only in legislation but as regards interpretation, misrepresentation and maladministration.

The hon. Gentleman made a quip about being on television. As far as I can make out, he has a season ticket to the television studios. I have hardly been in them in the past seven weeks, but I have not needed to be because I have had the vicarious thrill of experiencing what they are like by watching him.

Mr. David Kidney (Stafford) (Lab): Stafford has a prison that I visit regularly. I agree with my right hon. Friend that too many prisoners there cannot read and write, have mental illnesses or a dependency on alcohol or drugs. I am pleased to hear that he will try to find alternative outcomes for such individuals.

My question is about those serious offenders who serve long sentences. Did I hear my right hon. Friend say that the Parole Board will seek out the views of the specific victims of that offender's behaviour before they make the decision on parole? When he makes the decisions about changing the sentences that they serve, will he bear in mind the effect on prison discipline, because prison officers already do difficult work for us, in challenging circumstances, and those changes will have an effect on the work that they do?

John Reid: Yes, I will bear that in mind. Most people looking at some of the decisions that have been taken believe that it is necessary to restore public confidence in parole decisions. I have the highest admiration for the people who work on parole boards and the commitment, professionalism and dedication that they show. We can improve confidence by doing three things.

First, we should assure ourselves that all new members have experience of what it is like to be a victim either directly or, if they do not have personal experience of that, indirectly from assisting victims. Secondly, we should make sure that in serious cases, involving violent or sexual offences for instance, there is an expression of the victim's voice, not as a member of the parole board but to supplement the experience of the parole board. There is no reason why that cannot be done—for instance, by legal representation and, if necessary in serious cases, legal representation in consultation with the family. If there is to be an oral hearing and the offender is allowed to put his case for release, it is not obvious to me why those who have suffered as a result of the offence should not have the right to some representation, at least on their behalf if not directly.

Thirdly, we should require unanimity. In many cases at present there is unanimity, but it should be a requirement in cases of serious and violent offences. Those three things together will restore the balance.

Mr. James Clappison (Hertsmere) (Con): The public do indeed need to be protected from those who commit serious, violent and sexual offences, but those are not the type of offences that tend to be committed by women. The Home Secretary touched on that when he referred to vulnerable women in prison. Can he give us an assurance that he is not planning for more women to go to prison, but is planning for a sentencing system under which, wherever appropriate, women serve their sentences as close as possible to home and preferably in the company of their children?

John Reid: We want to act in a humane way. The Government have done more on domestic violence than any predecessor Government. I cannot predict the statistics. Some vulnerable women are involved in a cycle and end up in prison; if they go out, they up in prison again. We want to address that in a sensible and smart as well as efficient fashion, from the point of view of protection of the public as well as from the point of view of the individual.

Julie Morgan (Cardiff, North) (Lab): I welcome my right hon. Friend's proposals to change the sentencing guidelines. I know that my constituents whose three-year-old daughter was assaulted by Craig Sweeney will particularly welcome the fact that there will no longer be an automatic cut of a third of the sentence for a guilty plea or automatic consideration for parole after serving half the sentence. They have campaigned for that. I pay tribute to the dignified way in which they have dealt with that family tragedy.

Does my right hon. Friend agree that these changes to the sentencing guidelines should be aimed at the most dangerous offenders and those who are the greatest risk to the public?

John Reid: I thank my hon. Friend for her comments. I made my views known about that sentence at the time. I am glad that we now have widespread agreement that the points that she mentions ought to be addressed when looking at sentencing.

Peter Bottomley (Worthing, West) (Con): The Home Office knows that every week more than 2,000 people commit for the first time a serious criminal offence. I hope that the Home Secretary will at some stage find a way of publishing those figures and showing whether there have been changes. If we are to have fewer victims, we need to have fewer people committing serious crimes. Is there any possibility of setting an ambition of needing not more prison places but fewer, either because offenders have been treated more adequately, reformed and put back into society, or because fewer people commit crimes in the first place, which must be the ambition of both the Government and the Opposition?

John Reid: Of course we want ultimately to have fewer people committing crimes. That would have the consequence that the hon. Gentleman seeks, which is fewer people in prison. However, as long as there are people committing crimes, we will need prison places. Overall, according to the British crime survey, crime is down by 35 per cent. since 1997, which is a fairly significant reduction. It has been accompanied by an increase in the number of those in prison and the length of sentences because we believe that, while we should reduce crime, we should treat those who commit violent or serious sexual offences in a more fitting manner by giving them tougher sentences. That is the view that we have tried to take in a balanced and sensible fashion.

The views that the hon. Gentleman expresses do not concur entirely with those expressed by his Front-Bench spokesmen. *[Interruption.]* He is right. They do not necessarily concur with mine either, but then we are not in the same party. One would expect some sort of relationship between the members of one party. The discovery of the Conservative party's feminine side has impressed us all, but I have no plans to hug a hoodie or to hug a thug or to go any further than the plans that I have announced today.

Mr. Gordon Prentice (Pendle) (Lab): Next Wednesday, when everyone is going off on holiday, I shall be in Blackfriars crown court starting jury service. We changed the law three or four years ago. I have been reflecting on the experience that is to come. Has any systematic work been done to canvass the views of the thousands of people who have served on juries on how delays can be minimised and on other changes that might be made to the system?

John Reid: My hon. Friend's commitment to public service appears to know no bounds. We are all, I am sure, duly impressed with that. It is with delight and surprise that I come to the Dispatch Box without my usual riposte to my hon. Friend, which is to distance myself from his suggestions. I hope that it will not go against me in my career, but I agree with him. We ought to carry out a wider public consultation on a number of the measures that we are putting forward here today. The public want to and ought to feel that all of us in this House make decisions after listening to them.

Some people mix up populism with listening to the views of ordinary people. Therefore consultation on many of the proposals that we have outlined, which go further than the changes to which we have committed ourselves today, ought to be a good idea. We should go into communities. I hope that other members of the criminal justice system will do that alongside us. Part of that might be to listen to former jury members and, indeed, to my hon. Friend himself.

Tony Baldry (Banbury) (Con): The Chahal decision was in 1996, a decade ago. When do the Government expect to mount an effective challenge to that? What are the Government going to do if they fail to overturn the decision?

John Reid: I think that the hon. Gentleman understands that, as in our own judicial system, things do not always move as quickly as we would like. We are already engaged along with European colleagues in a challenge to that decision through another case that is before the European Court of Human Rights. I cannot tell the hon. Gentleman for definite when that case will end, but I think that it will be in the next 12 months. That is not a prediction but an estimate. I have found from long experience that when pursuing one course of action it is wise not to start outlining to all sorts of people, including those who sit in judgment, what we would do if we did not achieve our objective. We should pursue our objective.

Tony Lloyd (Manchester, Central) (Lab): If the Home Secretary is intent, as I know he is, on making sure that society and my constituents are protected from the most violent criminals—those who kill and seriously maim—will he address the important issue of witness intimidation? There is no doubt that those who intimidate witnesses can escape justice and terrify the very victims whom my right hon. Friend wants to protect.

John Reid: That is absolutely true, which is one of the reasons why we have been exploring and introducing prevention orders against organised crime, to prevent that and a number of other offences before they happen. I agree with my hon. Friend that the issue is important. We are already acting on it, but we will keep it under review, and if it is necessary to tweak or rebalance the system to counter it we will do so.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Home Secretary referred in his statement to the perception of the way in which the criminal justice system works, although the unfair criticism of Judge John Griffith Williams in the Sweeney case did nothing for that perception. However, I welcome the reference to drugs intervention and hope that a lot of resources will be allocated to it; as the Home Secretary knows, two thirds of property crime is drugs-related. I commend to him the good work on drugs intervention at Altcourse prison in Liverpool.

John Reid: I thank the hon. Gentleman and join him in his last comment. On the leniency of sentences, I hope that people will separate personalities from objective outcomes. I do not regret for one minute that I criticised the unduly lenient nature of a sentence. Today, I have announced measures to make sure that such sentences are not unduly lenient in future. My hon. Friend the Member for Cardiff, North (Julie Morgan), who spoke about the case earlier, recognised that we are moving towards changing the system. There

[John Reid]

is common agreement about that, so I think I should confine my remarks to the nature of the sentencing, not the personalities involved.

Ms Sally Keeble (Northampton, North) (Lab): A recent survey that I carried out among my constituents on policing and law and order issues showed that their priorities were for more visible policing and tougher sentences. They also wanted more protection from antisocial behaviour and street crime and a better response to it. Can my right hon. Friend assure me that in carrying out his welcome proposals he will meet the priorities of my constituents?

John Reid: I am glad to confirm to my hon. Friend that the priorities independently identified by her constituents are precisely mine: a visible, accessible, responsive police service is what people want in their communities. When I was speaking earlier, I received criticism from Opposition Members; I merely remind them that we have more police than ever before and more police on our streets and on the beat than ever before, accompanied by community support officers and neighbourhood wardens. They are developing neighbourhood teams, and are empowered to counter antisocial behaviours as never before. That we are doing all that reflects the fact that our priorities are the same as those of my hon. Friend's constituents.

Philip Davies (Shipley) (Con): I welcome the direction taken by the statement, although it represents an admission of failure because the Government have been going in the wrong direction for nine years. To rebalance the criminal justice system in favour of the victim, may I suggest that the Home Secretary reintroduce some honesty in the sentencing system to make sure that prisoners serve their sentence in full? Will he also make a commitment to scrap the Human Rights Act 1998, which in the public's mind has done so much to entrench a culture in which people believe that the system favours giving rights to criminals, prisoners and illegal immigrants at the expense of the ordinary, decent, law-abiding citizens of this country? Both those measures would meet with huge public approval.

John Reid: That does not seem to be the view of the leader of the hon. Gentleman's party, who has resiled from any commitment to leave the European convention on human rights and instead has promised us the undoubted bonus of yet another Bill of Rights to add to the convention. Rather than asking me to do what his own party leader will not do, the hon. Gentleman would do better to start a little closer to home, as we are trying to do with our antisocial behaviour measures to protect people in their homes, on the streets and in their communities. The vast majority of people want effective policing and security and a reduction of fear.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): Can my right hon. Friend assure me that money for new prison places will not direct resources away from existing prisons, especially their education, training and mental health services and other measures designed to reduce reoffending? Can every effort be made to identify the vulnerable women and others for whom prison is not suitable and to direct them to more appropriate services?

John Reid: Yes, I will try to do that. In another place, Lady Corston is carrying out a review. My noble Friend Baroness Scotland, the Minister in the other place, takes a great interest in the matter and my hon. Friend the Member for City of Durham (Dr. Blackman-Woods), who has three prisons and a young offenders institution in her constituency, takes a particular interest, too. I shall rely on all of them to help me move in the direction she suggests.

Mr. Roger Gale (North Thanet) (Con): My constituent was left in a coma after an assault by a young thug who, 10 days earlier, had been released with a three-month supervision order for a similar crime. The maximum sentence for his crime was five years, but the guideline was 15 months, so because he had already served six months in custody the judge had no alternative but to let him free to go back on the streets. The sentencing guidelines are part of the problem. What does the Home Secretary propose to do about them?

John Reid: As I told the House earlier, the Attorney-General, the Lord Chancellor and I will be consulting our colleagues, including those who make up the bulk of the Sentencing Guidelines Council, on a number of issues. I hope that the outcome of those discussions will reassure the hon. Gentleman that some of the things he raised are being addressed.

Chris Bryant (Rhondda) (Lab): I look forward to the Home Secretary's consultation with former jurors, as, like my hon. Friend the Member for Pendle (Mr. Prentice), I was summoned for jury service—at the Old Bailey, last week. It was a bit of a damp squib; 120 of us were summoned and we sat in a cramped room for three hours before we were released without having to serve the rest of our two weeks. Do not we need radical changes in the way courts are run? The sittings should not simply be in the interests of the lawyers and at the convenience of the judge. There should be programmed times for cases so that trials are not as long as they are at present, and jurors and witnesses should not be treated as some kind of necessary evil.

John Reid: I agree entirely with my hon. Friend's comments. That is why our priorities included not only protecting the public from violent crime and prolific offenders, putting victims and communities first, building public confidence in sentencing and gripping offenders to protect the public, but also simple, speedy summary justice, with things such as live TV links between police stations and courts to speed processing, the expanded use of conditional cautions and the bulk processing of regulatory offences. Recently, I visited a court in the Liverpool area where there is a degree of pre-consultation between all the parties involved—from the prosecution right through to probation and policing. The driving dynamism of the judge in that court has greatly expedited efficient treatment and fairness, and diminished inconvenience and cost to everyone. I hope that example of bringing the parties together more efficiently, which has already spread to Manchester, will spread throughout the country.

Mr. Nigel Dodds (Belfast, North) (DUP): In welcoming much of what the Home Secretary has announced today, I urge him to have an early discussion with the Secretary of State for Northern Ireland so that people in my area, too, can benefit from a greater sense of fairness in the sentencing regime and so that they can have a sense that the criminal justice system is both fair to, and meeting the needs of, victims. He will know from his previous experience that we already lag behind in many areas, such as ASBOs, unlimited sentencing, the life sentence tariffs and so on. He is the man who can have a word with the Secretary of State for Northern Ireland. Will he do it quickly and ensure that we get action on these areas?

John Reid: I am always willing to have discussions with my right hon. Friend the Secretary of State for Northern Ireland—formally and informally—but I would much rather that the rapid progress in this area was made by the people of Northern Ireland themselves, and together, wherever that is possible.

Mr. Dodds: It is not a devolved matter.

John Reid: If this is an area that is not devolved to the Assembly, of course I will share my views with the Secretary of State. He will be aware of them, because these details are shared with my Cabinet colleagues before I share them with the House.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): My right hon. Friend is absolutely right when he says that, for many people, the world begins outside their front door. At the beginning of the week, I was on Goldenhill road in my constituency, with the elected mayor, talking to local residents about crime and antisocial behaviour from a park behind their houses. My right hon. Friend has said that he is going to propose a number of things to tackle groups of young thugs—for want of a better word—driving their motorbikes up and down the park. Can he give any further indication of what other measures may be in the pipeline specifically relating to motorbikes and their misuse, and of how the existing fantastic improvements to the law can be toughened up even further?

John Reid: Yes, I can tell my hon. Friend that we intend to bring forward and implement measures that are intended to be directed at that specific area. They are to back up and complement the powers that we have already introduced in relation to local policing and local people. Those powers enable the quick closure of crack houses, which are a cancer on many estates. There are also dispersal orders for antisocial elements. I mentioned a new parental compensation order being brought in.

The question is important. I remember when we started to deal in the House with antisocial behaviour issues. On one occasion, we were laughed out by Opposition Members, who regarded it as somehow demeaning that we were dealing with burnt-out cars, graffiti, muggings and needles in the street. We were mocked as being interested in chewing gum on the pavements. Not for the first time, Opposition Members were completely and utterly out of touch with the feelings of the vast majority of people in this country.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. I am trying hard to accommodate everyone. May I please ask for one supplementary question and brief replies?

Mr. Andrew Turner (Isle of Wight) (Con): May I tell the Home Secretary that there is a site designated on the Isle of Wight for a fourth prison? He owns it, it has planning permission, and my constituents would welcome the investment and jobs. When are the new sentencing guidelines going to come into effect and when will the new prison places be available?

John Reid: The answer to the last two questions—rather than one question, there were three—is: as soon as possible; and the answer to the first question is: all offers considered.

Dr. Julian Lewis (New Forest, East) (Con): According to the Home Secretary's statement, the Government will end the requirement that judges should automatically halve the minimum term when setting the earliest release date for those serving unlimited sentences. Am I right in thinking that the vast majority of sentences are not unlimited sentences, and does that mean that the majority of sentences, say for 18 years, 14 years, 12 years, will still—

Madam Deputy Speaker: Order. I think that the Home Secretary understands the point that the hon. Gentleman is making.

John Reid: I think that the hon. Gentleman will find that the vast majority of serious offences now are given indeterminate sentences—in other words, unlimited sentences.

Mr. Charles Walker (Broxbourne) (Con): I can reassure the Home Secretary that, despite being in touch with my feminine side, I will not be hugging a hoodie, in case he stabs me in the stomach. On a serious point, how can we best use sentencing to persuade young people that the simple act of carrying a knife is a serious crime in itself?

John Reid: We do that by making sure that the maximum sentence for carrying a knife—whether it is classified as an offensive weapon or an object with a point, which are the two classifications in legislation—is long enough to denote the seriousness of that act. That is why I have announced today, as part of my measures, that I intend to extend the maximum sentence for carrying an object with a point or a blade to four years.

Mr. Peter Bone (Wellingborough) (Con): I welcome the Home Secretary's comments about low-level offending and the fact that more police officers should be on the beat. However, in Wellingborough, yob culture is growing. The chief constable has interpreted Government policy by getting rid of the basic

[Mr. Peter Bone]

command unit in my area, removing my chief superintendent to outside the constituency and moving police officers outside the constituency. It would appear that the chief constable has misunderstood Government policy. Will the Home Secretary have a word with him to reverse those decisions?

John Reid: Although I am always willing to try to help hon. Members, especially on the Opposition Benches, I will observe the proprieties of allowing chief constables to make their own decisions on those matters—unless the issue is of such strategic and national importance that the hon. Gentleman thinks that I would legitimately be entitled to intervene.

I am glad that we agree on one thing. Where there are young thugs—this does not apply to the vast majority of young people, who are as unenamoured of yobs and thugs as the rest of population—hugs do not always provide a way of tackling them. I am glad that he is with our side of the House on that. I thought for a moment that he was going to add shouting "Yo!" to a yob, or something of that nature, to the idea of hugging a hoodie. I am glad that he refrained from doing so.

BILL PRESENTED

CORPORATE MANSLAUGHTER AND CORPORATE HOMICIDE BILL

Secretary John Reid, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Mr. Secretary Darling, Mr. Secretary Hutton, Hazel Blears and Mr. Gerry Sutcliffe, presented a Bill to create a new offence that, in England and Wales or Northern Ireland, is to be called corporate manslaughter and, in Scotland, is to be called corporate homicide; and to make provision in connection with that offence: And the same was read the First time; and ordered to be read a Second time on Monday 24 July, and to be printed. Explanatory notes to be printed [Bill 220].

Prevention and Suppression of Terrorism

1.27 pm

The Minister for Policing, Security and Community Safety (Mr. Tony McNulty): I beg to move,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2006, which was laid before this House on 17th July, be approved.

Section 3 of the Terrorism Act 2000 provides a power for the Home Secretary to proscribe an organisation that he believes is concerned in terrorism by adding the organisation to schedule 2 to the Terrorism Act, which lists proscribed organisations. An organisation is concerned in terrorism if it commits or participates in acts of terrorism, prepares for terrorism, promotes or encourages terrorism or is otherwise concerned in terrorism.

That power was extended by section 21 of the Terrorism Act 2006 to include organisations that glorify the commission or preparation of acts of terrorism. Glorification includes any form of praise or celebration of acts of terrorism. We are therefore now able to take action against those who make statements that most right-minded people find abhorrent and who create a climate that supports and fuels terrorism.

Chris Bryant (Rhondda) (Lab): Will my hon. Friend explain why we have not got on today's list the organisation Hizb ut-Tahrir, whose activities are proscribed in Germany and many other countries and are of deep concern to many people in this country?

Mr. McNulty: I take my hon. Friend's point. This is not a definitive list in terms of proscription. There are any number of other organisations, among which I would include Hizb ut-Tahrir, that we keep under constant review and are seriously concerned about. I do not come here with "This year's list of proscribed organisations". This is an ongoing process and we keep all those organisations under review.

Mr. David Marshall (Glasgow, East) (Lab): The order adds names to the list. Will the Minister explain what an organisation, once on the list, can do to be removed from it, and will he reconsider whether the People's Mujahedin of Iran should be removed from the list now?

Mr. McNulty: Again, I take my hon. Friend's point. I shall not reconsider organisations that are already on the list, but if he will bear with me I shall come on to precisely the point of how an organisation can try to get itself removed from the list.

Mr. John Redwood (Wokingham) (Con): Will the Minister give the House an indication of how many other organisations are under intensive review, with the possibility of being banned? Is there a danger that the Minister will need to ban other organisations over the long parliamentary recess?

Mr. McNulty: I do not think that there is any intention of introducing proscription orders over the recess. In the confines of the assorted Terrorism Acts, an order subject to the affirmative procedure has to come before the House, so there will not be any proscription over the recess, unless the second element of the legislation is used. That element allows orders subject to the negative procedure to be laid regarding organisations that are clearly successor groups to an organisation that has previously been proscribed. I can thus give the right hon. Gentleman a broad assurance.

The House will know that the order before us lists four organisations that we believe are concerned in terrorism: al-Ghurabaa, the Saved Sect, the Baluchistan Liberation Army and Teyrebaz Azadiye Kurdistan, which, if I may, I will call TAK from now on. Al-Ghurabaa and the Saved Sect are being proscribed under the new glorification provisions, and this is the first time that those powers have been used. The Baluchistan Liberation Army and TAK are directly involved in acts of terrorism.

When deciding whether to make an order proscribing a group, several additional factors are taken into account. They were published in 2001. The factors are the nature and scale of an organisation's activities, the specific threat that it poses to the United Kingdom, the specific threat that it poses to British nationals overseas, the organisation's presence in the United Kingdom, and the need to support other members of the international community in their fight against terrorism.

The proscription of an organisation is a very serious matter, as my hon. Friend the Member for Glasgow, East (Mr. Marshall) suggested. It means that the organisation is outlawed in the UK and that it is illegal for it to operate here. The Terrorism Act makes it a criminal offence to belong to, or invite support for, a proscribed organisation. It is also an offence to arrange a meeting that will support or further the activities of a proscribed organisation, or that will be addressed by someone who belongs to such an organisation. Finally, a person commits an offence if he or she wears clothing, or carries or displays articles, that provide a reasonable suspicion that he or she is a member or supporter of a proscribed organisation.

I now come on to my hon. Friend's point. It is important to note that any organisation that is proscribed, or anyone who is affected by a proscription, can appeal directly to the Home Secretary for the organisation to be de-proscribed. If that is refused, the applicant can appeal to the Proscribed Organisations Appeal Commission. There is thus a twofold process whereby organisations on the list can be de-proscribed.

Given the wide-ranging impact of proscription, the Home Secretary takes the decision to propose a group for proscription only after a thorough review of all relevant material. That includes open-source and intelligence material, as well as advice that reflects consultations across Government and with law enforcement agencies.

I believe that proscribing the four groups in the order will send a clear message that the United Kingdom continues to take its role in fighting terrorism seriously. We all know that the nature of terrorism has changed. The structures used are more fluid and international, and there are organisations that recruit and radicalise, as well as those that actually commit terrible acts of violence against innocent civilians. Each day we see more and more examples of the enormous challenge that we face.

Dr. Julian Lewis (New Forest, East) (Con): Over the period in which the legislation has been in force, is there evidence that any of the groups that were proscribed in the past reconstituted themselves ostensibly as new groups and thus had to be proscribed again?

Mr. McNulty: There is, so I am grateful for the hon. Gentleman's comment. He will know that an order subject to the negative procedure is before the House today. The PKK is a proscribed Kurdistan group. We believe that we have sufficient information that suggests that the two groups that are the subject of that order—KADEK and Kongra Gele Kurdistan—are simply successor groups to the PKK, which is why they can be proscribed simply by such an order under section 22 of the Terrorism Act 2006, unless the order is prayed against during the 21 days, or whatever it is, for which it is laid. We rightly included that provision in the Act because we had evidence of such activity.

It is against the broad background that I outlined that we must consider all steps that we can take to protect our citizens from terrorism. That involves difficult decisions and judgments, but the overriding responsibility must be to protect the public. Part of that is about making it harder for organisations that are involved in terrorism—both directly and indirectly—to operate, and that is simply what proscription does.

Al-Ghurabaa and the Saved Sect use the internet as their main medium. The two organisations are closely connected and both are successor organisations to al-Muhajiroun. They use the internet to attack the values of our society and praise those who want to use violence for ideological aims. They spread a message that is aimed at the young and vulnerable, which indirectly encourages them to emulate previous terrorist acts.

Mr. David Winnick (Walsall, North) (Lab): I would have thought that most people, including those in the Muslim community, would say, "It's about time." However, what about the people behind these organisations: the racists and hate-mongers who are not UK citizens? Is there not a strong case for considering those people's status in the United Kingdom and inevitably asking whether their presence in this country is really desirable?

Mr. McNulty: There certainly is; I agree with my hon. Friend. He will know that during the passage of the Bill that became the Immigration, Asylum and Nationality Act 2006, not least because of the events of last summer, we revisited precisely the issue to which he refers on a cross-party basis. Many of the powers that we have to get rid of the undesirables to whom he refers—those who are not UK citizens, but operate in this country—are at their strongest because of the provisions that were added to that Act, with broad agreement in the main part.

Mr. Mike Hancock (Portsmouth, South) (LD): Can the Minister give us details of any charges that have been brought against individuals who have been involved with organisations since they have been proscribed? Have any of those charges led to successful convictions?

Mr. McNulty: I cannot offhand, not least because the organisations that have been proscribed under the Terrorism Acts 2000 and 2006 have not been as such for terribly long. If I can get any substantive information, I suspect that it will be about charges that have been made because the process will be unfolding as we speak. That relates in part back to the earlier statement, given the length of time that it takes such things to go through the courts. If I am able to give the information to the hon. Gentleman and the House, I will of course be happy to do so.

Mr. Nigel Dodds (Belfast, North) (DUP): May I ask about the removal of organisations from the proscribed list? Apart from the point that was made about organisations that become defunct, will the Minister tell us whether the Government have given any consideration to the removal of other organisations, including domestically based ones in Northern Ireland, on the grounds that they might have changed in character? We are being told that organisations in Northern Ireland are fit for government, yet they remain proscribed as illegal organisations under the legislation.

Mr. McNulty: The narrow confines of the order relate only to the organisations that are being proscribed under the powers in the Terrorism Acts, rather than the broader context of domestically based organisations in Northern Ireland and other such concerns. The order relates simply to the proscription of organisations—although I have mentioned de-proscription—and no more.

Mr. Andrew Dismore (Hendon) (Lab): Perhaps I could help my hon. Friend with a previous intervention. In fact, Anjem Choudry, one of the leading lights of one of the organisations that are to be banned, was recently convicted of organising a demonstration.

Mr. McNulty: I will leave it to my hon. Friend to give the oxygen of publicity to those people and their previous, imminent or subsequent convictions. I choose not to mention names, which is why I am rather irate with my hon. Friend.

A spokesman for al-Ghurabaa explicitly refused to condemn the 7 July bombings:

> "What I would say about those who do suicide operations or martyrdom operations is they're completely praiseworthy. I have no allegiance to the Queen whatsoever or to British society; in fact if I see mujahideen attack the UK I am always standing with the Muslims, never against the Muslims."

Dr. Rudi Vis (Finchley and Golders Green) (Lab): I recall that in 2001 we had one vote on the proscription of 21 organisations. If any of those organisations were to be de-proscribed in the way that my hon. Friend the Member for Glasgow, East (Mr. Marshall) suggested, would there have to be a review of all 21 proscribed organisations, because there was just one vote?

Mr. McNulty: No, there would not. No matter how many organisations are on the order, they are treated under law as separate and distinct organisations, so the de-proscription would apply simply to the one organisation, rather than to the whole list.

As I was saying, there is material on the al-Ghurabaa website that says

> 'kill those who insult Mohammed'

and

> "we do believe in Jihad, we do believe in violence, we do believe in terrorizing the enemy of Allah".

It talks about Osama bin Laden being a lion and says that his opponents are

> "treading a downhill path of destruction and humiliation".

It speaks of the USA being

> "forced to kneel down towards him".

The Saved Sect churns out similar propaganda. Let us be clear: those are examples not of freedom of speech, but of the abuse of those freedoms. They are insidious attacks on the broad values that the overwhelming majority of communities in this country hold dear.

The case of the Baluchistan Liberation Army and TAK is different, as those organisations are directly concerned with terrorism, and have claimed responsibility for some dreadful atrocities. For example, the Baluchistan Liberation Army has claimed responsibility for attacks going back to at least 2004, including the murder of Chinese engineers in February 2006 and nine bombings of railway stations in 2005. TAK has also claimed responsibility for attacks in Turkey since 2004, including a bomb attack on an internet café in Istanbul. Although those organisations are not based in the United Kingdom, they pose a threat to our citizens, as was demonstrated by the tragic death of British citizens in a bomb attack by TAK in the Turkish resort of Kusadasi in 2005.

Mr. Mike Weir (Angus) (SNP): I have no dispute with the Minister about the proscription of TAK, but he has announced the proscription of three Kurdish organisations. There is a long history in Kurdistan, particularly its Turkish part, of the oppression of Kurdish people. Will the Minister give me an assurance that he will keep the situation under review, so that we do not end up proscribing organisations that are democratic? There can be no doubt about the nature of TAK, but many Kurdish organisations are accused of terrorism by the Turkish Government, and their members are imprisoned, when in fact they are democratic organisations fighting for the rights of the Kurdish people.

Mr. McNulty: I take the hon. Gentleman's point, but in the context of the order, there is clear evidence against TAK, and there is already substantive evidence against the PKK. The other two organisations that we propose to proscribe in an order under the negative procedure are simply successors to the PKK. If a body is not a terrorist organisation in terms, as defined in various Acts and in the judgment and review of the Government, it will not appear on a list for proscription.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Paragraph 7.1 of the explanatory memorandum explains that under section 3 of the Terrorism Act 2000, the Minister could proscribe an organisation that, among other things,

> "promotes or encourages terrorism or is otherwise concerned with terrorism."

It explains that section 21 of the Terrorism Act 2006 adds the glorification of terrorism to the reasons for proscription. I do not necessarily disagree with the Minister's proposal, but is the section 21 power required to proscribe the Saved Sect and al-Ghurabaa, or does the Minister think that they could be proscribed under the powers in the 2000 Act, without need for that power?

Mr. McNulty: I assume that the hon. Gentleman was here at the start of my speech. I said very clearly that the organisations are being proscribed under the glorification offence in section 21 of the Terrorism Act 2006, which deals with those organisations that glorify

> "the commission or preparation...of acts of terrorism".

Glorification includes

> "any form of praise or celebration"

of acts of terrorism. This is the first time that the offence has been used, and I made that clear at the start of my deliberations.

Dr. Evan Harris: When the Minister cited that provision he did not read from the website of al-Ghurabaa, so it was not clear to those of us who had not seen that website what language fell specifically under the category of "glorification", rather than under "promotes and encourages". I am not seeking to argue with him; I am just seeking to establish whether, in his view, what he read out from that website did not promote or encourage terrorism, but glorified it.

Mr. McNulty: I understand what the hon. Gentleman is trying to say, but I shall not, with the indulgence of the House or otherwise, read the whole speech again. I would quite like to—I could do it a bit differently this time—but I do not think that I will. The offence is under section 21, and that is the substance of the issue. Given the material that is available, as I have said, it is quite right that we should proscribe the organisations listed in the order, and I commend the order to the House.

1.45 pm

Patrick Mercer (Newark) (Con): I thank the Minister for his statement and for giving us the facility to discuss the order before we came to the House today.

The measure is apposite, bearing in mind that this Thursday exactly a year ago we were in the middle of another wave of terrorist attacks that, had they been successful, would, I suspect, have focused our minds much more closely even than the attacks of 7 July. On the next day—22 July—those attacks were followed by a series of tragic events that are close to the Government's thoughts at the moment. We would do well to remember that many of the organisations that we are talking about today were heavily involved in the events of last year.

May I begin by saying that the Opposition are delighted with the four names on the order to which the Minister has referred? We certainly support the Government's proscription of those organisations, but I should be grateful if the Minister would kindly answer one or two questions. I shall first deal with the first two organisations that have been proscribed today. Both al-Ghurabaa and the Saved Sect—also known as the Saviour Sect—have been proscribed, but they are remnants of al-Muhajiroun. What are the Government's views about other remnants of that organisation, such as the followers of Ahl Us-Sunnah Wal-Jammaa'ah, the Muballigh, the Islamic Thinkers Society and the Society of Muslim Lawyers, which is not the same as the Association of Muslim Lawyers?

Omar Bakri Muhammad, who established al-Muhajiroun, said:

> "Al-Muhajiroun has many organs which are active within society under its leadership. These organs specialize in different fields, such as: the Society of Muslim Lawyers, the Society of Converts to Islam, the Society of Muslim Parents, the London School of Shari'ah, the Shari'ah Court of the UK, the Society of Muslim Students, the Islamic World League, the Muslim Cultural Society and the Party of the Future."

How will the Government cope with that? As soon as organisations are banned, they change their name. The same happened with the IRA—first, there was the Official IRA, then the provisionals, then a series of other splinter organisations. How will we cope with that? Can the Minister help me on that point? As soon as one organisation is banned, it springs up under another name. That is not a criticism; I am merely asking for information about how that can be controlled.

Mr. Redwood: How many organisations that are as bad as the ones that we are proscribing today should be proscribed?

Patrick Mercer: I am grateful to my right hon. Friend. The answer is that there are any number. As soon as I name one of those organisations, it will rename itself. As soon as it is proscribed, it will spring up under another guise. As I said, that is not a criticism of the Government; it is a merely question about how they intend to deal with it.

Hezbollah is much in the news at present. Will the Government explain why the external security organisation of Hezbollah is proscribed, whereas Hezbollah's political arm and its guerrilla forces in south Lebanon are not proscribed? I shall quote from the Minister for the Middle East, although his words make the situation no clearer. He stated in March 2006:

> "We are not aware of any involvement by Hizballah in terrorist activity in southern Lebanon. However, we remain very concerned by Hizballah's support for terrorist activity within the Occupied Territories."—[*Official Report*, 22 March 2006; Vol. 444, c. 422W.]

Can the Minister please explain why we deal with one half of the organisation in one way, and the other half in another way?

Why is Abu Hamza's old group, the Supporters of Sharia, not proscribed? What is the Government's view on them? From their chat rooms, it is clear that they are a thinly disguised front for al-Qaeda in the United Kingdom. What are the Government's views on Tablighi Jama'at? That organisation has plans to build a £100 million mosque in east London that will apparently accommodate 10,000 worshippers. French intelligence is deeply worried by that organisation, claiming that 80 per cent. of Islamist fundamentalists in France come from TJ and calling it the "antechamber of fundamentalism". How will we cope with that? Do the Government propose to allow the group's recruiting methods to continue? Are we to give

[Patrick Mercer]

succour to it? Again, I simply require information from the Government. What about the Student Islamic Movement of India inside the United Kingdom? We have already touched on that. What are the Government's views on the comments of Lord Carlile about the de-proscription of Mujaheddin-e-Khalq?

I return to the point that the hon. Member for Rhondda (Chris Bryant) made about Hizb ut-Tahrir, or HUT for short. A few days ago the Home Secretary told us how pleased and delighted he was with the way that Project CONTEST was developing. That is the Government's anti-terrorist strategy, which revolves around four streams of thought—four streams of action. Will the Government explain how HUT fits into both the "protect" and the "prepare" streams of thought of project CONTEST? I remind the House that the Prime Minister's delivery unit said of Project CONTEST that activity in the project was not connected or coherent, it asked who was in charge, and it said that Project CONTEST measures meetings and reports, not real world impact. The Home Secretary denied all that.

HUT is banned from many Arab countries, the former Soviet Union and Germany, yet London appears to be its headquarters. Its UK branch was founded by Omar Bakri Muhammad, who founded al-Muhajiroun, and it talks endlessly about anti-Muslim integration. On 5 August 2005, the Prime Minister said that HUT would be proscribed. Why has it not been? If we have Project CONTEST, a strategy for counter-terrorism, which the Home Secretary tells us is in good shape—although the Prime Minister's delivery unit says it is not fit for purpose—can the Minister please explain to me why the Prime Minister's words have not been honoured?

Mr. David Drew (Stroud) (Lab/Co-op): I share the hon. Gentleman's views about HUT, particularly about its statements, which it made openly, that Muslims should be tried according to sharia in this country. We have the rule of law in the United Kingdom, which everyone must obey. The attitude of HUT may not be a reason for proscribing it, but it is certainly a reason for strong argument with the group. If it does not obey the rule of law in the UK, it is outwith a democratic society. Does the hon. Gentleman agree?

Patrick Mercer: I am grateful to the hon. Gentleman for that intervention. I entirely agree. I cannot understand why an organisation that espouses the views to which the hon. Gentleman has just drawn attention is not proscribed. More to the point, I agree with what the Prime Minister said on 5 August 2005. Why has HUT not been proscribed? If we are preventing terror, protecting our population, preparing for attacks and pursuing terrorists under Project CONTEST, why has that not been done?

Mr. Hancock: Does the hon. Gentleman agree that the points that he is making are the issues that cause so much confusion and concern within the Muslim population in this country about the way in which some organisations are treated, whereas others are ignored for other reasons, although they know not why?

Patrick Mercer: I agree with the hon. Gentleman. We had such discussions when we were serving together on the Defence Committee. There is nothing worse than inconsistency in a campaign such as the present one. Inconsistency will always be misinterpreted, perverted and turned against us. I am grateful for the hon. Gentleman's intervention.

Dr. Vis: Organisations are sometimes not proscribed because it is easier for the police to keep an eye on them that way than otherwise.

Patrick Mercer: The hon. Gentleman is right, of course. Many of the questions that I have asked today may well be covered by the Minister in an explanation making that precise point. Certainly, I am criticising, but many of the other points that I am making are points of information that the whole House, as evidenced by the interventions, would be interested to know.

Lastly, if we proscribe organisations, it is all very well talking and generating hot air, but what is done about asset seizure? There must be delivery, not just talk. There is no point in Government anti-terrorism strategies that are torn apart by the Government's own audit organisations. I welcome what the Government have done today. I ask the Minister for some thoughtful—as I know they will be—and trenchant replies to the questions that the Opposition have asked.

1.57 pm

Mr. Andrew Dismore (Hendon) (Lab): I, too, welcome the statement by my hon. Friend the Minister for Policing, Security and Community Safety. As he knows, I have been pursuing the fundamentalist extremists since 1998. That was when I first asked questions about Bakri Muhammad and al-Muhajiroun in the House. We should remember that Bakri Muhammad set up al-Muhajiroun because he has fallen out with the Muslim Brotherhood, which he came to the United Kingdom to set up—an extreme organisation banned in many countries around the world.

I agree with the comments of the hon. Member for Newark (Patrick Mercer) about the problems of the splinter groups that are continually set up. It is a little like the Trotskyists in the 1970s. Whenever one looked at them, they were a different organisation. The present case is rather more sinister and rather more dangerous than the Trotskyists ever were. They may have purported to undermine society as we knew it, but they never got very far.

Dr. Julian Lewis: I cannot resist a brief trip down memory lane. Although it is true that Trotskyists and other far left groups and, indeed, pro-Soviet groups used to rename themselves, it was nevertheless also true that when the hon. Gentleman's party fatally abolished the proscribed list, that had a huge effect on reviving the overt way in which those groups were able to function. That is why, despite the danger of reinvention, proscription is worth while.

Mr. Dismore: We are getting a little off the point. The serious issue is how we keep up with the continual name changes of organisations that are effectively the same organisations as those that were proscribed. If they have the same website, address or telephone number, that is relatively easy to follow. If the same people are involved, it becomes more difficult because many of them have aliases and noms de guerre. When we look them up on the internet, we find a series of different names for the same people. Moreover, they are not organisations like political parties with membership lists, membership cards and so forth, but loose associations, which makes it that much harder.

The explanatory memorandum, which gives the reasons why Al-Ghurabaa and the Saved Sect should be proscribed, uses somewhat measured and temperate language that understates the nature of the organisations with which we are dealing. One of Al-Ghurabaa's key activists, Anjem Choudary, was the prime mover behind the demonstration outside the Danish embassy and was recently convicted of not giving proper notice to the police. I regret to say that he received a mere slap on the wrist, which no doubt encourages rather than discourages people in those circumstances. Several trials for more serious offences are still outstanding in relation to that demonstration. The rabid anti-Semitism of those groups is notorious. One need only look at some of the statements made on the demonstration, such as, "Butcher those who mock Islam", or "Kill those who insult Islam", and the people dressed as suicide bombers, to apprehend the nature of Al-Ghurabaa.

The Saved Sect is probably the most direct line back to al-Muhajiroun. It was formerly known as the Saviour Sect, but changed its name. That is why I mentioned name changes. Sometimes the new name is dissimilar, but it is often very similar. People associated with the Saved Sect included Mizanur Rahman, who demanded the beheading of those who insult Islam at the Danish embassy demonstration, and Islam Uddin, who called the Jewish people

"the most disgusting and greedy people on earth".

Many others have made similar statements. I would like particularly to highlight Abu Yahya. When I first started this campaign back in 1998, I remember him speaking on the Radio 4 "Today" programme, proclaiming the jihadist message and boasting of the terrorist training that he had received in Afghanistan.

My key concern is the fact that so many organisations, not only those listed by the hon. Member for Newark, have not been brought within the realms of proscription. I particularly want to raise the question of Hezbollah. The military wing of Hezbollah is proscribed, but the political wing is not. Hezbollah itself does not make any distinction between those two entities and operates as one single organisation.

Dr. Vis: Two members of Hezbollah are in the Government. It is a little difficult to proscribe part of the Government of that country.

Mr. Dismore: I presume that my hon. Friend means Lebanon, which I have not mentioned, as I do not think that we have any members of Hezbollah in the UK Government. The fact remains that we are talking about the proscription of organisations in the UK. I am extremely concerned that Hezbollah has not been banned in its so-called political form as it has in the United States, Canada, Australia and Holland.

Similarly, the al-Aqsa Martyrs Brigades have not been banned either, although they appear on the US list of foreign terrorist organisations. The anti-Semitic, anti-British way of life organisation, Hizb ut-Tahrir, is clearly a matter of great concern to many Members. The arguments in favour of banning Hizb ut-Tahrir have already been advanced at great length. I agree. I cannot understand why an organisation that is banned in so many countries around the world, and which proclaims a message of anti-Semitism and of trying to destroy our society, should not also be proscribed.

I very much welcome the announcement by my hon. Friend the Minister—my only concern is that it does not go far enough. There are still loopholes that people who undermine our society and rule of law are more than willing to exploit in order to achieve that objective. We need ever greater tightening of these measures and further organisations put within the parameters of the proscription list.

2.3 pm

Mr. David Heath (Somerton and Frome) (LD): I thank the Minister for the way in which he introduced the orders and for his offer of consultation prior to the debate, which I found extremely helpful.

I take the basic message from the hon. Member for Newark (Patrick Mercer), which is that attacking these organisations in an organised way is like battling a hydra, because there is no way of satisfactorily keeping pace with the splinter organisations that will inevitably develop. It may seem a rather thankless task.

The first order concerns a matter of process. When we debated the last set of orders, of which there were a great number, the hon. Member for Finchley and Golders Green (Dr. Vis) said that each organisation should be given separate consideration. One of the procedural difficulties that the House sometimes has, if not today, is that we do not have the opportunity to consider organisations separately because we can only accept or reject the entire list that is put before us.

Dr. Vis: Does the hon. Gentleman agree that very few Members had any idea of the basic information about more than three or four organisations out of the 21, yet we had only one vote?

Mr. Heath: I made that point at the time, and it does concern me. In debating such matters, we have to rely a great deal on trust, which is often well placed in Ministers and the advice that they receive from the security services. Nevertheless, we have to decide as a House whether to agree to the orders, and we should do so on the basis of the maximum information available.

I want to put one minor point to the Minister. The separate negative order that has been laid could have been included with the affirmative order to give the entire House the opportunity of agreeing to it. That would have meant that some of the exchanges in which the Minister has engaged with hon. Members would have been in order rather than almost out of order, as they must have been.

When we debate such matters, we often lack the evidence that the Minister has in his possession. That is inevitable. The House cannot know about all the advice

[Mr. Heath]

that has been received because some of it will be from our security services and police and from foreign sources, and it would not be appropriate to divulge all that information in the public domain. However, we are entitled to know about the levels of activity of such organisations in the United Kingdom so that we can make a judgment about the danger to British citizens and British interests elsewhere.

We should be told whether any of the orders have been placed at the request of another Government. I fear that the Government are in danger of putting themselves in a difficult diplomatic position whereby they accede to requests for proscription from some countries but not from others. It becomes ever more difficult not to accede to such a request, even if there is a suspicion that it is less well founded, and that puts diplomatic pressure on the Government. It should be made clear to the House where there has been a request from an overseas Government and the extent to which that has been supported by British intelligence-gathering organisations in the field that can corroborate the view of that Government.

Mr. Weir: I agree with the hon. Gentleman, particularly in relation to Kurdish organisations. There has been oppression of Kurdish people by Turkey, Syria and Iraq over many years, and the Governments of those countries perhaps have a very different view of the operations of organisations that we would consider democratic but they may not.

Mr. Heath: I agree with the hon. Gentleman in one respect—that we must not proscribe organisations simply because another country with which we may be friendly believes that they are undemocratic. However, I have to say that there are clear cases where Kurdish organisations are engaged in terrorist acts, and those are the ones that have been put before the House. There may be a case for reconsideration at some stage in the future, but where there is evidence, then let us accept it.

Two organisations listed today are clearly, from the evidence presented to the House, involved in terrorist activity. They are the Baluchistan Liberation Army and Teyrebaz Azadiye Kurdistan. They pose fewer difficulties than the two that the Minister has included purely on the basis of section 21 of the Terrorism Act 2006. I shall not rehearse the arguments about the clause that were used during the Bill's passage. There were different views—not about the intent to stop the vile and evil recruitment of people to carry out terrorist acts in this country but about whether glorification was the right term and whether other, more appropriate legal mechanisms existed. Let us not enter into that debate today.

There is a danger of moving away from our commitment in this country to free speech purely because people say things with which we profoundly disagree. Proscription is not the way in which to argue against, for example, an organisation that wants the Islamic caliphate or sharia law. An organisation would have to go much further—however violently one might disagree with its views—for it to be proscribed.

A significant point arises from the Minister's response to my hon. Friend the Member for Oxford, West and Abingdon (Dr. Harris). The order does not mention section 21 of the Terrorism Act 2006 as a ground for proscription. The explanatory notes and the Minister's comments do. Having heard his remarks and the quotes that he read out from the websites of al-Ghurabaa and the Saved Sect, I do not believe that proscription should be based purely on section 21. It may be unwise in legal terms to base the arguments on that section when they extend wider, because they are then open to challenge in court. From what I heard, the words used constituted prima facie evidence of the crime of incitement. I seriously ask Home Office Ministers why so few prosecutions for incitement have taken place when the comments that the hon. Member for Hendon (Mr. Dismore) cited are made openly. They at least suggest an incitement crime. Why are so few prosecutions brought? Prosecuting for incitement could be more effective than the heavy-handed approach of proscription.

Dr. Evan Harris: I agree with my hon. Friend. Arguably, section 3 of the Terrorism Act 2006 could also be used. He is not alone in expressing concern about proscription. The Joint Committee on Human Rights also argued in paragraph 63 of its third report that extending the ground for proscription to cover organisations that glorify acts of terrorism was unlikely to be compatible with the right to freedom of expression in article 10 and the right to freedom of association in article 11 of the European convention on human rights. There is a concern that those powers may, at some point, be struck down and we therefore need to ensure that we use them in the right way.

Mr. Heath: Under the terms of the order, which does not specify a section, I doubt whether a court would put such a narrow construction on the Minister's words, but we are right to express concern.

Is the Minister confident that the internet sites, which seem to be his principal concern, will be closed down as a consequence of proscription or will they simply move to an overseas base and continue as before? If proscription does not achieve the primary objective of closing down those sites, it has failed as a mechanism.

It is a matter of natural justice that proscribed organisations should be regularly reviewed to ascertain whether the proscription remains necessary and in order. The hon. Member for Glasgow, East (Mr. Marshall) mentioned the People's Mujaheddin of Iran. There have been concerns about whether it should be proscribed. I make no comment on that apart from saying that I hope that it is subject to review. I especially hope that new assessments are made at the time of negative resolution orders for successor organisations. Rather than simply assessing whether an organisation is a successor body, we should assess whether it has the same principles and adherents as the previous organisation.

Mr. McNulty: Not least for the benefit of others who may go down that route, let me say that the PMOI currently has an application for de-proscription before the Home Secretary. However much people wax lyrical about it, I shall not comment on it. It would not be appropriate to do that. If people want answers from me about that specific organisation, they will not get any because the de-proscription request is before the Home Secretary.

Mr. Heath: The Minister is right to take that view. I am not acting as an advocate for the organisation, I am simply asking for the matter to be considered.

Hizb ut-Tahrir clearly holds views that many of us find abhorrent. I am especially worried about the anti-Semitism that the organisation expounds, which should be subject to legal sanction. However, whether it is a matter for proscription is a different question. The organisation is avowedly against the violent expression of its views. I am not in possession of intelligence material that would tell me whether that is true, but I know that it states that it is against violent and terrorist activities. We must be careful not to assume, simply because we do not like—and may abhor—an organisation, that we, as a state, should stop it being able to undertake its functions in this country. We should always, when possible, use the normal criminal law to ensure that people are charged with proper offences in court and that, if they are found guilty, they pay the appropriate penalty.

2.16 pm

Andrew Mackinlay (Thurrock) (Lab): I refer to the explanatory memorandums that were before the House in 2001. Those documents were fuller and amplified the Government's case— especially on the organisations to be proscribed and their activities in the United Kingdom—more than the current explanatory memorandum, which contains nothing to the same effect. I regret that. I do not want to belabour the point, as we fully realise that there are constraints on the Home Secretary. However, the memorandum could have been fuller and in line with what has been before the House previously. The Home Secretary asks hon. Members to trust his judgment, and I do, but that underlines the point that the Government need to review regularly the organisations that they have proscribed.

The Minister said in his opening remarks, and reminded us a few moments ago, that people can apply to be de-proscribed, but he himself cannot escape his duty to keep proscribed organisations under constant review. He did not refer to that and I regret it. If I could have his attention for a moment, it would make my journey to Westminster today worth while. I listened carefully to his comments, all of which were valid, but the Home Secretary has a duty to keep matters under review, especially given that the organisation to which the hon. Members for Newark (Patrick Mercer) and for Somerton and Frome (Mr. Heath) referred—the PMOI, also known as Mujaheddin-e-Khalq—was proscribed in 2001. The British Government have acknowledged that the organisation has not been involved in any military or terrorist activity since then. In 2001, they acknowledged that it was not involved in any such activities in the United Kingdom. There must be carrot and stick. If an organisation fulfils the criterion of being a lawful organisation in the United Kingdom, Her Majesty's Government should make some response.

The Minister was right to say that he could not comment on the PMOI's application, which is before the Home Secretary, because the Home Secretary and the Minister will act in a quasi-judicial way. However, that does not stop me making points to underline the importance of considering such matters. As a backdrop, the Prime Minister referred to the Iranian Government this week from the Dispatch Box as the exporters of terrorism. Their opponents are trying to stand up to them, just as General de Gaulle kept the flame flickering while in exile.

The Minister for the Middle East is chuntering under his breath, but I hope that he will do me the courtesy of listening to me for one more minute. Even if he thinks that Andrew Mackinlay is talking rubbish, the case that I am advancing has been articulated much better by people such as Lord Archer of Sandwell, a former Labour Solicitor-General; David Waddington, a former Conservative Home Secretary; Lord Fraser, a former Conservative Lord Advocate; and Lord Carlile of Berriew, the person who has been charged by the Government with making an objective assessment of these proscriptions. In Lord Carlile's most recent report, he flagged up the fact that the Government should reflect again on the PMOI, or the MeK, as it is also known.

I wish that the Ministers would recognise that some of us do trust them, but that we expect a quid pro quo. We, the custodians of liberties, need to be satisfied that they are reviewing past decisions that were dictated by a request from the Iranian Government to the then Foreign Secretary, Robin Cook, which was then conveyed to my right hon. Friend the Member for Blackburn (Mr. Straw), to proscribe the PMOI. Some of us think that that decision was flawed, and we want reassurance that there will now be some objectivity, and that the organisation will not continue to be proscribed merely to appease the rotten regime in Tehran.

2.21 pm

Michael Gove (Surrey Heath) (Con): I congratulate the Minister and the Government on proscribing al-Ghurabaa and the Saved Sect. Those organisations are the successors to al-Muhajiroun, whose founder, Omar Bakri Mohammad, was involved in the commission and preparation of terrorist acts and recruitment for jihad. He trained young men, whom he sent to fight in Chechnya, Afghanistan and Jordan. He was also directly responsible for the recruitment and training of two young Britons, Asif Mohammad Hanif and Omar Khan Sharif, whom he sent to their deaths in a suicide mission in Israel. His ideology is foul, and his organisation deserves to be proscribed. Its successor organisations also deserve to be proscribed, and I congratulate the Government on doing so.

I regret, however, that Hizb ut-Tahrir is not on the list of organisations being proscribed today. Last year, the Prime Minister outlined the case for the proscription of Hizb ut-Tahrir, and, as so often happens when the Prime Minister talks about Islamist terrorism, I found myself wholeheartedly agreeing with him. Why have the Government not proscribed Hizb ut-Tahrir? Did the Foreign Office and the Home Office fall out over this matter, as has been reported in the *New Statesman*? Will the Minister specify the nature of the discussions between those Departments on this matter, and let us know why that proscription has not proceeded?

[Michael Gove]

Given that Hizb ut-Tahrir has been proscribed in Germany by Otto Schily, the interior Minister in an SPD-Green Administration, the proscription of the organisation would hardly be a reactionary move. Indeed, the desire for its proscription is endorsed by all those who believe that liberal, multi-ethnic democracies need to be protected from extremists who fly under flags of convenience.

I suspect that I might be rare in the House—although I note that the hon. Member for Bethnal Green and Bow (Mr. Galloway) is here—in that I have had the privilege, if that is the word, of being invited to address a Hizb ut-Tahrir meeting in the past. I did not know that Hizb ut-Tahrir had organised the meeting when I was invited to address it. Because I did not know that, and because Hizb ut-Tahrir operates under a cloak of secrecy, I was rendered complicit in an exercise in radicalising young Muslim men. I saw how the organisation operated, and how it sought to divide young Muslim men from the rest of our fellow citizens. I recognise that it acts as a conveyor belt to extremist activity, as the Prime Minister has pointed out.

The hon. Member for Hendon (Mr. Dismore) pointed out that Hizb ut-Tahrir bore similarities to Trotskyist organisations, and so it does, in that it operates under a number of identities in order to achieve its totalitarian aims. However, it is far more dangerous than Trotskyist organisations ever were in this country.

The Prime Minister made a speech to the Foreign Policy Centre earlier this year, in which he said:

> "The extremism"—

which we all need to counter—

> "may have started through religious doctrine and thought, but soon, in offshoots of the Muslim Brotherhood, supported by Wahabi extremists and taught in some of the madrassahs in the middle east and Asia, an ideology was born and exported around the world."

For those who do not know the ideology of the Muslim Brotherhood, I shall spell it out briefly. Its ideology is Allah—

Madam Deputy Speaker (Sylvia Heal): Order. May I remind the hon. Gentleman that we are discussing the groups that are named in the order, rather than any that are not? I have allowed the hon. Gentleman some discussion on these matters, but I must now call him to order.

Michael Gove: Thank you for bringing me back to the matter under discussion, Madam Deputy Speaker.

Why is the Muslim Brotherhood—a proscribed organisation in other countries, as the hon. Member for Hendon pointed out—not being adequately dealt with here? I am sure that the House is aware that there is an individual in the Foreign Office, Mockbul Ali, the Islamic issues adviser, who has described the Muslim Brotherhood and Jamaat-e-Islami as progressive organisations. Why is the Prime Minister's stated desire to deal with the extremism promulgated by the Muslim Brotherhood not being dealt with effectively by the Government?

Mr. George Galloway (Bethnal Green and Bow) (Respect): On a point of order, Madam Deputy Speaker. I did not rise to the hon. Gentleman's wholly gratuitous—and, as it happens, erroneous—reference to me. I have never attended a meeting of Hizb ut-Tahrir. However, is it in order for an hon. Member to name an individual civil servant in the Foreign Office in that disparaging way, when that civil servant is not here to answer for themselves?

Madam Deputy Speaker: I have not heard anything that is out of order. Members who make speeches must take responsibility for what they say in the Chamber. I would remind hon. Members, however, that we are discussing the list of organisations that are named in the motion.

Michael Gove: Thank you, Madam Deputy Speaker.

Will the Minister ensure that, when these provisions are reviewed in future, all the organisations that seek to take young men and turn them into terrorists are kept properly under review? Will he also ensure that any organisations that act as generators of extremism and recruiters for jihad are given the degree of scrutiny that the Prime Minister said that they would be given when he spoke last July, and at the Foreign Policy Centre in February?

2.26 pm

Mr. Mike Weir (Angus) (SNP): It is clear that terrorist organisations continually split up and change their names, and it is therefore difficult to keep track of them. We appreciate that, and we support the proposal to proscribe these organisations today. There is clear evidence that at least two of them are condemned out of their own mouths.

I echo the point made by the hon. Member for Thurrock (Andrew Mackinlay) about keeping the situation under review. History shows that terrorist organisations sometimes split because some of their members move towards democracy. I appreciate the adherence to the precautionary principle, but the Minister should bear in mind the fact that there might be opportunities for some of these organisations to adopt peaceful means, and they should not be thrown away.

The Scottish National party and Plaid Cymru are slightly concerned about the situation regarding Kurdish groups. Teyrebaz Azadiye Kurdistan—TAK—is being proscribed today, and we have no objection to that, as it stands condemned out of its own mouth. The successor groups to the PKK are also being proscribed, under the negative resolution procedure. However, the Kurdish peoples in Turkey, Syria and Iraq have a long history of fighting against non-democratic regimes for their democratic rights. There is now an autonomous Kurdish region in Iraq, but the situation in Turkey is still very bad. The Turkish Government have taken action against democratic Kurdish groups, and Kurdish MPs have been imprisoned for using the Kurdish language.

Will the Minister ensure that, when requests are made for the proscription of groups by foreign Governments—especially Governments such as the Turkish Government, who are not entirely democratic—there is full investigation, so that we can be satisfied that they are groups that we would recognise as terrorist groups, and not simply groups that are unacceptable to the Government of the country in which they operate? There is a long history of oppression of the Kurdish people. We do not object to the proscription of the TAK, but we must ensure that we do not go too far, particularly in relation to Kurdish organisations.

2.28 pm

Mr. McNulty: I shall deal with the points raised in this very reasonable debate that were specifically about the order, rather than the assorted attempts—however well intentioned—to reopen the wonderful long debates that we had just before the election, which involved sittings lasting until 6 or 7 o'clock in the morning and losing a day's business in the House. Wonderful memories! Nor am I going to go down the memory lane depicted by my hon. Friend the Member for Hendon (Mr. Dismore) when he talked about Trotskyist groups. I shall say no more about that, but anyone who wants to talk about Trotskyist groups in the 1970s—with or without my own inclusion—should see me afterwards.

In relation to some of the specific points about process, I take the point about the first order that listed some 21 organisations. There was some urgency, once we secured the power to proscribe, to get that initial series of organisations on the statute books as quickly as possible. On reflection, merely an hour and a half—locked as we were into our limited parliamentary procedures—on an order that proscribed 21 organisations was probably not the best way to conduct business. I will take that point back to the Home Office for consideration.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): On a point of order, Madam Deputy Speaker. Is not it a serious discourtesy to the House that the hon. Member for Surrey Heath (Michael Gove) should ask a series of questions of the Minister and then not be present to hear any answers?

Madam Deputy Speaker: Certainly, it is the convention of the House that Members stay and be present for both the opening and closing remarks.

Mr. Crispin Blunt (Reigate) (Con): Further to that point of order, Madam Deputy Speaker. My hon. Friend the Member for Surrey Heath (Michael Gove) is taking a statutory instrument for the Opposition at 2.30.

Madam Deputy Speaker: That is not a matter for the Chair, and the debate can continue.

Mr. Heath: I was about to intervene on the Minister to thank him for what he said, and to suggest that we need not to extend the parliamentary time available but to take a series of separate orders in a single debate. That would be the appropriate way of doing it, which he might like to consider.

Mr. McNulty: I take that point, too. I cannot, however, tag an order subject to the negative procedure to one subject to the affirmative procedure. That simply cannot happen in our parliamentary procedures. The negative procedure deliberately addresses the issues raised by a number of hon. Members in relation to splinter groups and successor bodies, where a direct link can be made to the original parent body—for want of another phrase—rather than having the affirmative procedure every time there is another clear manifestation of the same group.

The hon. Member for Newark (Patrick Mercer) asked what happens now and how we will take matters forward. As with other proscription orders, we will work with the police to ensure that all options are considered, including the use of non-proscription offences such as the dissemination of terrorist publications. With the Treasury, we are exploring, as we always do, all the options in terms of asset freezing and forfeiture. Incidentally, we do not believe that the two domestic groups, of themselves, have a whole lot of assets to go after. With the high-tech crime unit, we are exploring what we can do with internet service providers, certainly where groups are domestically based, about the continuing provision of what is now a website for an illegal organisation. Under law, I think that I am right that the ISP becomes directly involved if it persists in providing such a service for an illegal organisation. Clearly, that is more difficult in relation to a foreign-based website.

In terms of the broader points, which were entirely fairly raised, about keeping matters under review, there are two processes. There is the process by which the organisation can apply directly to the Home Secretary and subsequently to the appeals commission, to be de-proscribed. There is also a proscription working group bringing together No. 10, the Foreign and Commonwealth Office, the police agencies, the Crown Prosecution Service and the Home Office, which continually reviews all the organisations on the list, which are entirely moveable feasts.

With the greatest respect to the House, the one thing that I cannot do is treat proscription like some sort of Dutch auction, whereby we present a list to the House of those organisations about which we feel that we have sufficient evidence to go down the proscription route, and then indulge in discussions about a range of other organisations. The House has generously invited me to talk about why Hizb ut-Tahrir or any number of organisations are not on the list. As I said at the outset, this is not the definitive list for this year. The Government still have very serious concerns about Hizb ut-Tahrir. We also have concerns about a range of other organisations, some of which have been mentioned by individual Members. On the evidential base that we have, I am simply putting to the House the four organisations listed on the order for proscription. I have not come here to discuss the next potential series of proscribed organisations, not least because of court proceedings that may follow should such organisations be proscribed in due course.

Mr. Hancock: The Minister was extraordinarily grateful in taking interventions—[HON. MEMBERS: "Generous."] The Minister was generous. Can he explain how the head of the security services in this country, the Prime Minister, was able to say over a year ago that there was clear evidence for one particular

[Mr. Hancock]

organisation to be proscribed, and yet one year on we still have not proscribed it? If the Prime Minister had the evidence, surely the Minister had the evidence, and it should be before us this afternoon.

Mr. McNulty: I think that the hon. Gentleman made a Freudian slip initially—I am certainly not grateful for that intervention. I have just said that these are very serious matters, and proscription of organisations is very serious. I have not come here to speculate about whether any proscription order will come. On 5 August last year, the Prime Minister clearly mentioned three such organisations. I have come to the House with an order proscribing two of those. I have made it clear that the Government still have serious concerns about Hizb ut-Tahrir, but that is not to speculate about whether a proscription is forthcoming. Given the nature of the measures, which are not taken lightly, I implore the House to concentrate on those that the Government feel confident enough to bring forward, rather than to dwell on—with no pun intended—the ifs and buts of other organisations that may be under review and may form the basis of subsequent proscription orders.

Given the broadly generous way in which the House has received the proscription of those four organisations, I will quit while I am ahead, and commend the order to the House.

Question put and agreed to.

Resolved,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2006, which was laid before this House on 17th July, be approved.

International Affairs

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

2.37 pm

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): These are grave and serious days for the international community.

Of all the difficult issues around the world, the situation in the middle east is of the greatest immediate concern. Many civilians have been killed. The crisis threatens all our hopes for wider peace and security in the region. Many thousands of British nationals and dual nationals have been caught up in the midst of this violence. Understandably, many are worried about their safety and anxious to leave, and I will say a little more about that, if I may, later.

I want to begin, however, by reminding us all of the course of recent events, because that context informs our decisions and approach to a situation that has its underlying roots in the events and decisions of past decades. A year or so ago, a period of at least comparative calm—I understand that it is called "tahdia"—was said to exist in Israel and Palestine. Israel withdrew its forces and settlers from Gaza, and although the calm was punctuated by continuing Qassam rocket attacks on Israel, overall levels of violence were significantly down. The new President of Palestine began to establish himself, and almost six months ago the Palestinian people gave a mandate to the representatives of Hamas. That led to demands and pressure from all sides for Hamas to adopt the Quartet's three principles: to renounce violence, to recognise Israel, and to make a commitment to the road map.

At the beginning of last month, Prime Minister Olmert visited the United States and the United Kingdom. During our discussions and in his public statements, he made it clear that he would be prepared to work for a negotiated settlement with any genuine Palestinian partner for peace. A month ago, on 22 June in Jordan, President Abbas and Prime Minister Olmert met for the first time in over a year. President Abbas had also just scheduled a meeting with Hamas Prime Minister Haniya.

Those were tentative but, I think, important signs of progress. However, Palestinian extremists began again to step up rocket attacks on Israel, and the Israelis to respond with artillery fire. Tragically—as the House will probably remember—a family of seven Palestinians was killed on a beach in Gaza. It was in that situation of substantially heightened tensions that Palestinian militants tunnelled into Israel, killed two soldiers and abducted a third. It is hard to avoid the conclusion that that was a deliberate attempt to destroy those first small signs of a move towards dialogue.

This was the deteriorating and already dangerous background against which Hezbollah chose to cross into Israel, kill eight Israeli soldiers and kidnap two more, deliberately pouring petrol on an already burning bonfire. I find it impossible to see that action as anything other than a calculated attempt by extremist forces massively to destabilise the region further, without the slightest regard for the potential impact of their actions on the people of Lebanon.

Joan Ruddock (Lewisham, Deptford) (Lab): I entirely agree with the points that my right hon. Friend has made. There can be no doubt that Hezbollah started the conflict. Does my right hon. Friend not agree, however, that Israel's response—300 Lebanese civilians dead, 1,000 injured, a third of them children, and half a million people displaced—is utterly disproportionate?

Margaret Beckett: My hon. Friend is aware, I know, that from the outset we have urged on all parties that they should act proportionately, and that they should do everything possible to avoid civilian violence. I regret—as, I know, does my hon. Friend, along with, probably, the whole House—the killing and injuring of, in particular, civilians in Lebanon, in Gaza or in Israel itself. Our main objective must be to establish what can be done to ameliorate the situation.

Mr. Michael Ancram (Devizes) (Con): Will the Foreign Secretary answer the question that she has just been asked? Does she believe that the action taken by the Israeli Government in Lebanon, which, initially, was understandable as a response to terrorism, is proportionate or disproportionate?

Margaret Beckett: I can only repeat what I have already said. From the beginning we have urged restraint on Israel, and we continue to do so. From the beginning we have urged Israel—which, of course, argues that it is trying to degrade Hezbollah's ability to continue to attack it—not only to show restraint, but to take every care to avoid civilian casualties.

Mr. David Winnick (Walsall, North) (Lab): I have no illusions whatever about the Iranian-backed groups that are causing so much damage to Israel at the moment, but will my right hon. Friend bear in mind the strong possibility that the lack of forceful condemnation from the United States and Britain of what Israel is doing in retaliation—the number of casualties, mentioned by my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock); the children who are being bombed, killed and seriously injured—constitutes an encouragement to Israel to continue what it is doing?

Margaret Beckett: No. I say to my hon. Friend, and to those in all parts of the House who I know share some of his concerns, that no one—no one at all—is encouraging a continuation of the conflict, either on the Palestinian side, in Hezbollah, or in Israel. My hon. Friend may have noticed that the G8 statement called on all parties to try to create the conditions for a ceasefire. The European Union Foreign Ministers' statement last Monday also called for a cessation of violence.

I can assure my hon. Friend that no one is encouraging a continuation of violence. What everyone is trying to do in their different ways—and people will disagree with some of the ways that are being chosen, whoever is doing it and whatever they are doing—is make an appallingly dangerous situation less dangerous.

Mr. Crispin Blunt (Reigate) (Con): That really will not do as an explanation. Everyone understands that the United States has sent an implicit signal to Israel that she has a period in which to try to deal with Hezbollah in southern Lebanon. Israel's strategy in trying to do that is as we see it on our television screens, and as witnessed by the people of Lebanon.

Margaret Beckett: I do not accept that, although I understand the argument. I hear and I read and I am familiar—from before I became Foreign Secretary—with the fact that people impute all sorts of actions and motives to the Government of the United States, as they do, indeed, to our Government, whether in partnership or complicity with the US or on our own. I simply say to the hon. Gentleman that, on the basis of many conversations, I know that everyone wishes to see the violence diminished and ceased. All kinds of ideas are floating around—I shall refer to one or two of them later—and all sorts of initiatives are being taken to find a way out of the situation for the parties engaged in it. However, one of simplest imaginable ideas—it has no complications and the detail does not have to be worked through—is for those who kidnapped the soldiers to release them.

Mr. Chris Mullin (Sunderland, South) (Lab): Everything that my right hon. Friend says makes sense and I would not dissent from her analysis of the origins of the conflict, but is it not just a tiny bit shameful that, although we rightly condemn Hezbollah for what it has done, we can find nothing stronger than the word "regret" to describe the slaughter, misery and mayhem unleashed by Israel on a fragile country such as Lebanon?

Margaret Beckett: I hope that my hon. Friend will have noticed—I think that he will, because he is a fair-minded as well as highly intelligent man—that although I have stringently condemned Hezbollah for wantonly and without the smallest fig leaf of an excuse choosing to make an already bad situation infinitely worse, I have tried to be relatively proportionate in what I have said about all other players.

Several hon. Members *rose*—

Margaret Beckett: I have already given way four or five times and many Members want to speak. I propose to make further progress with my speech before giving way again; otherwise, I am mindful that the entire debate will run out of time even before I—let alone anyone else—have finished speaking.

I can assure my hon. Friend the Member for Sunderland, South (Mr. Mullin)—I know that he will accept my assurance, however much he disagrees with what I am doing or saying—that I am striving in every way I can to act effectively to bring about the position that he desires. I will continue to act in the way that I believe is most likely to be effective, which is not always the way that people would wish me to act.

As the whole House knows, Hezbollah does not act alone. Behind it and, I am afraid, lending it support and direction are Syria and Iran. Syria finances Hezbollah and facilitates the transfer of weapons, including thousands of missiles that appear to be supplied by Iran. Against that difficult and dangerous background, the focus of the international community

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must surely be on what action can be taken to bring about a durable ceasefire. First and foremost, while attempts are made to create the conditions for a ceasefire, the international community must strive to ease the suffering of civilian populations caught up in the fighting.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Recognising that Hezbollah arose out of the consequences of the invasion of Lebanon by the Israelis in 1982, is not my right hon. Friend concerned about what might arise this time, especially if we dilly-dally over a ceasefire and are slow to provide the conditions for Lebanon to get back on its feet?

Margaret Beckett: I can assure my hon. Friend that everyone is aware of the many and varied disasters that could follow from these events. There are all sorts of potential outcomes, hardly any of them good. I repeat what I said to my hon. Friend the Member for Sunderland, South a few moments ago—that the Government are trying to do everything that they can to improve the situation.

Several hon. Members *rose—*

Margaret Beckett: I am not giving way for the moment, as I have already said that I want to make some progress.

The European Union could play a particularly important role in humanitarian action, and I urged that on my colleagues at the General Affairs Council on Monday. My right hon. Friend the Secretary of State for International Development has agreed to provide £2 million in immediate humanitarian assistance to Lebanon. His Department is also arranging for two humanitarian advisers and one reconstruction adviser to be sent to the region as soon as access becomes possible. The EU has also pledged €10 million in humanitarian assistance.

Secondly, we must continue to step up our diplomatic efforts. The UN Secretary- General's special envoy to the region, Vijay Nambiar, will report back to the UN Security Council today. In addition, the EU's high representative, Javier Solana, has visited the region twice and we hope that he will continue those efforts. Meanwhile, my right hon. Friend the Prime Minister has been in repeated contact with Prime Minister Siniora and with Prime Minister Olmert, and both my right hon. Friend and I have been in contact with many others in the region and across the globe.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): When the UN Secretary-General's special envoy reports to the UN later today, will the British Government support a call for an immediate ceasefire? People in this country see what is happening on their television screens and they want to see our Government taking a lead in the international community and doing everything that they can to stop the violence on all sides now, immediately and with no qualifications.

Margaret Beckett: I can assure my hon. Friend not only that we are taking a lead, but that we are doing everything we can to try to bring an end to the violence. With regard to our response to the special envoy's report, my hon. Friend will have to forgive me if I wait to hear it before I respond.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Prime Minister, in his statement on the G8 summit, refused to say whether we would recall our ambassador from Damascus for discussions. Given the consensus that the Foreign Secretary clearly has with the Prime Minister that the Syrians are implicated with Hezbollah, why cannot we take that simple step?

Margaret Beckett: We could do that, and I understand and respect the point that the hon. Gentleman makes. However, I go back to my acid test, and I do not think that it would help. At present, we would rather have our ambassador in Damascus, able to convey our point of view.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does my right hon. Friend agree that Hezbollah should be condemned for placing its munitions in densely populated areas, and does she agree that that is the main reason for the high level of civilian casualties as Israel tries to defend its population?

Margaret Beckett: I am well aware of both the assertion that that is part of the problem and the concern that such activities cause on all sides. I take entirely my hon. Friend's position.

Mr. David Heath (Somerton and Frome) (LD): Many of us recall the admirably balanced statement made by the Minister for the Middle East on Monday when he said that

> "we must impress on the Israelis the international rules of conflict. When civilians are killed and the terrible phrase "collateral damage" is used to describe what is seen as a legitimate attack, the impression given across the middle east and the world is not a good one."

He also said:

> "We certainly expect Israel to abide by international law and we are totally opposed to collective punishment."—[*Official Report*, 17 June 2006; Vol. 449, c. 28-32.]

Is that still the Government's position, and, if so, will the Foreign Secretary say so out loud, otherwise, the great fear is that disproportionate action by Israel will invite exactly the same sort of response in future years by terrorists who wish to promote instability in the region?

Margaret Beckett: I appreciate the hon. Gentleman paying tribute to my hon. Friend the Minister for the Middle East, because he did extremely well on Monday. Of course, the views and concerns he expressed remain the view of the Government. I will go further and say to the hon. Gentleman what I have said in several forums, including to representatives of the Government of Israel, that it seems that, apart from in very few quarters, there is a really widespread recognition and acceptance that these particular events—and their scale, with regard to Lebanon especially—were precipitated by a wanton act of destruction by Hezbollah. It is a very unusual position for Israel to be in for almost everybody to say that there was no excuse for Hezbollah's action and it made an already bad situation worse. That offers the Government and the people of Israel a window of opportunity to make their case about the nature and scale of the attack and the undermining that they are facing. In the many conversations that I have had with representatives of that Government, I have made the point that Israel could close that window of opportunity, which would be a pity.

Several hon. Members *rose*—

Margaret Beckett: If colleagues will forgive me, I had better progress a little further.

We should also take forward the G8 proposal for the United Nations Secretary-General to develop a plan to implement in full Security Council resolution 1559. The core of any such plan would be to enable the Lebanese Government and their armed forces to establish their authority throughout the country, in particular in the south. Such a plan is likely to require a different sort of international military presence from the present UN force, UNIFIL, to give direct support to the Lebanese army and to help with the disarming of militias, including Hezbollah.

So our goals are twofold: the earliest possible end to hostilities, including the release of the kidnapped soldiers in Gaza and Lebanon, and a process that will enable the Lebanese Government and their armed forces to take full control of the country, with international monitors. Long-term stability will be possible only if Syria and Iran end their interference in Lebanese internal affairs in accordance with UN Security Council resolutions 1559 and 1680.

Mr. John Redwood (Wokingham) (Con): I am grateful to the Secretary of State; she is giving a measured response in her speech. What offer of hope can she give today to the thousands of British people and their families—and those for whom we are responsible—who are caught up in the war zone and would like to leave immediately? They need a message of hope and reassurance that they will be looked after, even though that is a very big task.

Margaret Beckett: I never suspected the right hon. Gentleman of having psychic powers, but that is exactly the point to which I was about to turn. However, before I do, I shall give way to a few more Members.

John Hemming (Birmingham, Yardley) (LD): I thank the Secretary of State for her comments in respect of what the Government wish to see. Why would they not wish to see a ceasefire without the return of the soldiers?

Margaret Beckett: Everyone wants to see a cessation of violence as soon as possible. Many of the other routes that one could urge—the international community is urging them, and exploring and trying to develop them, and looking at the detail—will take time. It will be complicated and difficult to work them out and to pursue them. Releasing kidnapped soldiers is not difficult at all, and takes no time at all.

Mr. Jim Cunningham (Coventry, South) (Lab): I am sure that my right hon. Friend is aware that there is public concern. Many people do not understand that we have a weak Lebanese Government that everyone is trying to support, but at the same time it seems that Israel has gone over the top and is destroying that Government. Therefore, what is happening could be counterproductive, no matter how many resolutions we have.

Margaret Beckett: My hon. Friend is entirely right that one of the concerns that is felt throughout the international community—in Israel, too, I believe—is that no one wishes the Lebanese Government to be undermined, and everyone recognises the importance of the continuation of a democratic Government in Lebanon, not least in the interests of Israel itself. The Government share the concern that my hon. Friend expresses; it is one of the anxieties in our mind.

Mr. Neil Gerrard (Walthamstow) (Lab): If we are asking the Lebanese Government to implement UN Security Council resolution 1559 and we expect them to do things that the UN Security Council has asked, should we not make equivalent demands on the Government of Israel, who have ignored Security Council resolutions for years? If we are trying to have a balanced approach to this problem, it is false to equate the actions of an organisation such as Hezbollah with those of a state; one expects completely different standards of behaviour from a state that is a member of the United Nations.

Margaret Beckett: I can only say to my hon. Friend that when I looked at the part of my speech that refers to United Nations resolutions, I knew that someone would get up and mention 20 others that various sides are in breach of. Of course I understand the concern that my hon. Friend has expressed; it is a point of view that I have heard expressed often in this House. However, I say to him, with the greatest respect, that one of the reasons I stated at the outset of my speech that I proposed to try to curtail my remarks to the immediate context of the events we are discussing is that I am aware—I do not say this as any kind of criticism—of how deep-seated is the history of all such events. I know that many angers and anxieties have been expressed, and that various resolutions have and have not been observed. We could go on for weeks considering these issues, but at the moment, there is one of the worst and most dangerous crises in the middle east that we have seen for a very long time. That is why I am trying to concentrate on what might be done to ease that specific facet of what I totally accept is a complex and difficult problem.

Several hon. Members *rose*—

Margaret Beckett: I am sorry but I must move on.

The right hon. Member for Wokingham (Mr. Redwood) asked about British families and of course, many thousands of British nationals and their families have been directly affected by the violence in Lebanon. Embassy and consular staff have been working flat out to organise the evacuation of those British nationals who want to leave Lebanon—that, of course, is not all of them—as quickly and as safely as possible. A Foreign Office rapid deployment team flew out to Beirut last Saturday, and another is in Cyprus

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helping to support British nationals arriving there. There are 73 additional staff on the ground in Cyprus and in Beirut, and that number will rise to 109 by Thursday. The majority of the staff are from the Foreign Office, but they also include immigration officers, members of the Red Cross and medical personnel.

Andrew Miller (Ellesmere Port and Neston) (Lab): To give some hope to the thousands of families who are worried, I point out that the Foreign Office has been fantastic in providing information to a constituent of mine—I am pleased to say that he boarded a ship this morning—and his family. The accuracy of that information, which was provided in the most difficult circumstances, was of the highest level. This House should put on the record our thanks to the staff on the ground and to the Ministry of Defence for the work that they have done, which has given real hope to families such as those whom the right hon. Member for Wokingham (Mr. Redwood) mentioned, who are understandably very concerned about their loved ones.

Margaret Beckett: As my hon. Friend and the whole House will know, we normally hear only from those who feel that public servants have failed them—that is perfectly understandable; I do not point this out as a criticism—so I am genuinely extremely grateful to him for that intervention. I know that what he says is true, and that his comments will be much appreciated by those who have volunteered to engage in this work.

Patrick Mercer (Newark) (Con): Will the Foreign Secretary give way?

Margaret Beckett: If I may, I shall make a little progress first.

Sixty-three of the most vulnerable British nationals were evacuated on Monday 17 July and a further 175 people were evacuated by HMS Gloucester on Tuesday. Yesterday, a further 863 people left on HMS York and HMS Gloucester, but today we hope to evacuate even larger numbers. HMS Bulwark, which was expected to dock in Beirut this morning, can take up to 2,000 people, and we have other ships standing by. Our teams in Cyprus have arranged for those who wish to continue back to the United Kingdom to fly home, and where necessary we have chartered special aircraft to do that. We are co-ordinating closely across government to support those who arrive back in the United Kingdom.

We are also aware that approximately 100 British nationals and British dual nationals are still in south Lebanon. We are in touch with some of them and are trying to contact others, but at the moment it is too dangerous to travel south to try to get them out. A United Nations ferry has been allowed into Tyre and has picked up many foreign nationals; we are urgently seeking to confirm how many of them are British nationals. Ten British nationals left Sidon yesterday in a bus convoy and should be evacuated to Cyprus today. We are working with our EU partners to get all EU nationals who want to leave out of south Lebanon as quickly and safely as possible.

Several hon. Members *rose—*

Margaret Beckett: I give way first to the hon. Member for Newark (Patrick Mercer).

Patrick Mercer: I am most grateful to the Foreign Secretary for giving way. She will have seen in the recent Intelligence and Security Committee report that one of its priorities is Iranian-backed terrorism. She will have also seen yesterday's comment by Hezbollah that it is preparing to unleash its forces in America and Europe. What is the Foreign Secretary's view of Iranian-backed terrorism inside this country?

Margaret Beckett: As the hon. Gentleman says, there are indeed concerns about the scale and nature of terrorism in this country, and about whether some of that is inspired or funded in any way by forces in and around Iran. He will know that that issue has also been a concern for our operations in, for example, Iraq. All I can say to the hon. Gentleman is that our security services and police are doing everything possible to monitor such flows of information and to ensure that we keep British people as safe as we reasonably can.

Ann Clwyd (Cynon Valley) (Lab): I remind my right hon. Friend that other people want to go in the other direction. Earlier today, we met a senior Lebanese Member of Parliament who is very active with the Lebanese-British Friendship Society but who cannot return home because the conflict means that there is no airport for him to fly into. His perception is that Israel has been given a free hand to destroy Lebanon. I consider that to be a very serious accusation indeed, and he also described the very bad humanitarian situation that has developed already. Why cannot this House—today and with no preconditions—call for a ceasefire on all sides?

Margaret Beckett: I am very sorry to learn about the concerns that my right hon. Friend has expressed, and entirely take her point that some people are trapped in this country rather than in Lebanon. I take very seriously what she says about the concern expressed by the gentleman to whom she referred, and I completely understand why he should make the observations that she has reported, given his perspective on the situation and what he is seeing and hearing in this country. I can only repeat what I said earlier—that the Government have no wish or desire for the events in Lebanon to continue for a second longer than is necessary, but that the people with the simplest levers in their hands are those who hold the kidnapped soldiers.

Tony Lloyd (Manchester, Central) (Lab): Has there been any discussion with the Israeli authorities about what they can do to give proper guarantees that British nationals, and members of the international community more generally, will not come under Israeli fire during this very difficult withdrawal period?

Margaret Beckett: My hon. Friend is right to draw attention to how we are trying to ensure people's safety, but there are all sorts of different problems. One is how safety is affected when the bombs and bullets are flying, but there are other, more mundane difficulties. For example, the vessels that we are sending are the right ones for the job—and it has been a source of great reassurance for many to be told that the Royal Navy was on its way to collect them—but by their very nature they are high-sided vessels. That is just one of the considerations that we must take into account, but I assure him that the concerns that he raises have for many days been part of the dialogue.

Several hon. Members *rose*—

Margaret Beckett: I apologise, but I shall not give way. I have been on my feet for half an hour already and am very mindful that many colleagues wish to speak in the debate.

The evacuation is a massive operation. To remove thousands of civilians by sea from a country that is under naval blockade and subject to aerial bombardment is a difficult and complex task. As my hon. Friend the Member for Manchester, Central (Tony Lloyd) just indicated, the safety of British nationals has been our paramount concern throughout.

It has never been simply a question of asking people to turn up at the docks and wait for a ship. Indeed, it would obviously be irresponsible to move large numbers of people around Beirut if, by so doing so, we put them in greater danger. That is why we have conducted this evacuation in phases, each carefully planned and co-ordinated with countries in the region and with our international partners. The whole House will join me in paying tribute again to staff from my Department, to the armed forces and to all the others who are working so hard to make the operation run smoothly.

I know that the House is likely to concentrate in the debate on the immediate crisis, but I ought to take this opportunity to report on a further difficult issue that engages the Government—Iran's pursuit of nuclear technology.

On 8 May in New York, the E3 plus 3 decided to prepare a full and comprehensive set of proposals that would support Iran's declared desire for modern civil nuclear power, while also addressing international concerns. We all believed that, in its own interests and those of the wider international community, Iran should heed the repeated calls from the International Atomic Energy Agency's board of governors for a suspension of activities related to uranium enrichment and reprocessing, and come to the negotiating table to find a diplomatic solution.

That extended package of proposals was finalised in Vienna on 1 June and presented by the EU high representative, Javier Solana, in Tehran a few days later. He conveyed the agreed view of the E3 plus 3 that we would endeavour speedily to address any queries or concerns and hoped for an early response.

That was over six weeks ago. Iranian Government members have repeatedly told the news media that there are ambiguities in the proposals or that they raise questions that will need to be answered. A large number of attempts were made to arrange meetings at which any questions and ambiguities could be addressed, but those proposed meetings were rejected, including the cancelling of a proposed meeting on 5 July at the last minute and, apparently, for no good reason.

Finally, a meeting was arranged for 11 July. The Iranian negotiator, Ali Larijani, met Javier Solana and E3 and Russian officials. However, he raised no issues of substance and said that he was unable either to give a response to our proposals or even to indicate when Iran may be able to do so.

The E3 plus 3 concluded that we had no option but to return to the Security Council to resume the work on a Security Council resolution, which was suspended two and a half months ago. Our proposals remain on the table and we continue to encourage the Iranians to take the positive path on offer. Should Iran decide to do so and to take the steps required by the IAEA board, we would be prepared to suspend activity in the Security Council.

Mr. Ben Wallace (Lancaster and Wyre) (Con): One of the reasons that Hezbollah is much more potent and that Iran represents a significant threat is that the Chinese Government have been consistently assisting the guidance of their missiles, including the one that hit the Israeli cruiser last week. Iran has appointed an ambassador to the UK in the past two weeks. Has the Foreign Secretary called him, since his arrival, or indeed the Chinese ambassador, to her office to press on them the fact that third-party support for the nuclear programme and Hezbollah is not acceptable?

Margaret Beckett: First, I am not sure whether the Iranian ambassador has arrived yet—*[Interruption.]* If he has, I have not been aware of that. We have continued discussions with the Chinese Government. I know that there are things that we do that China will be concerned about and vice versa, but, at the present time, there is a great deal of united concern in the Security Council about the position with regard to Iranian work on nuclear activity. There is a great wish to work together to resolve some of these difficulties, as we did last week in reaching a united conclusion about events in North Korea. That has to be, at this moment in time, the focus of our activity and relationship.

Richard Burden (Birmingham, Northfield) (Lab): Will my right hon. Friend give way?

Margaret Beckett: I am sorry, but I must finish.

The current crisis in the middle east and the ongoing negotiations with Iran provide the international community with huge and pressing security challenges, but, of course, we face other such challenges in that region and across the globe. The Government remain committed to working with our partners across the broad agenda of international concerns.

In Afghanistan, we are helping the Afghan Government to extend the rule of law across their country. In Iraq, we are giving our full support to the people and to their elected Government as they struggle to build a better future in the face of terrible violence. In Darfur, we are leading calls for the deployment of a UN force and we are supporting the African Union force. On Tuesday, we confirmed that we would provide the African Union with a further £20 million. As I mentioned earlier, the Security Council has taken firm and unanimous action on North Korea in response to its testing of long-range missiles.

[Margaret Beckett]

Today, an active and engaged foreign policy does not just mean dealing with so-called global security. It also means dealing with the global insecurity that can exacerbate international tensions and stresses, so we are pushing hard for an ambitious outcome to the Doha development round. We welcomed the renewed commitment by the EU, the US and the G20 at the recent G8 summit to overcome the remaining obstacles to agreement and, crucially, to show more flexibility. There is more at stake than the economic well-being of developed and developing countries. There is the fate of the world's poorest and most vulnerable and the credibility of the multilateral system as a whole.

I am also determined that the Foreign Office will be at the forefront of a step change in the international diplomacy on climate change. Global warming is one of the greatest threats that we face as an international community, and progress on it is needed with immediacy and urgency. Again, there was some progress at the G8, including recognition of the need for a clear goal to stabilise greenhouse gas concentrations. The Gleneagles dialogue meeting in Mexico will be the next step in taking that forward.

I began today by saying that these are grave and difficult times for the international community. I doubt that a single person in the House would disagree with that, however much there may be disagreement on other issues. In the current crisis in the middle east, it is not just the fate of those countries most directly involved and their peoples that is at issue. Rather, what is at stake is any prospect for a lasting peace in the region and with it the wider security of the international community as a whole. What stands out with utter clarity is that any or all of these different issues and events can be addressed, let alone resolved, only if we seek the maximum amount of common ground and co-operation from the international community as a whole. That is what the Government have sought to do and will continue to do.

3.15 pm

Mr. William Hague (Richmond, Yorks) (Con): I am grateful for the Foreign Secretary's speech and to the Leader of the House for arranging today's debate, albeit a shorter one than would have been ideal. I put it to the Foreign Secretary that there may be a strong case for a further report to the House next Tuesday after Foreign Office questions and before the House adjourns. The House should take as much time as possible to discuss a matter of central concern to us all before the summer recess—the tragic situation of Lebanon, the heavy and daily loss of life in Israel and Lebanon and the ominous portents for the middle east of the outbreak of fighting of which she has spoken.

I want to pull off the perhaps impossible trick of ranging a little more widely than the Foreign Secretary did, while keeping my remarks briefer, as she generously turned her speech into a debate by taking so many interventions. I start, as she did, with the immediate situation. The immediate origins of today's crisis are clear. She has been clear about where the responsibility lies, and we agree with her about that. One of the first concerns of all of us in the House, as reflected in many interventions, has been the safety of British citizens caught up in the conflict. I join in congratulating our embassy, consular staff and members of the armed forces who have been working around the clock to evacuate those people. We trust that that will continue to gain momentum and that British citizens will be removed from harm's way.

There have been some criticisms of the transmission and quality of the information provided by our embassy in Beirut. If there have been any deficiencies, I hope that the Foreign Office has taken steps to rectify them and to learn any appropriate lessons for the future, including whether other nations were able to act more quickly by chartering passenger ships immediately. There may be lessons to be learned.

I hope that the Minister who winds up the debate will be able to say how many British citizens are trapped in areas that have been put out of reach, and what discussions are taking place with the Israeli Government about ensuring their safety. While our first concern is of course British citizens, we must not forget the plight of hundreds of thousands of Lebanese people trapped between the incapacity of their Government to tackle the terrorist threat in their midst and the resolve of Israel to attack. It is fair to assume that imminently there will be a serious humanitarian crisis in parts of Lebanon. The Lebanese ambassador told me earlier of potentially half a million displaced people and a serious law and order problem when many of them arrive in Beirut, added to the deteriorating humanitarian situation in the occupied territories in the aftermath of the election of Hamas.

As Lebanon has only recently begun to emerge from nearly 30 years of the devastation of civil war and to remove a little of the instability that lurks behind its recent transition to democracy, that situation represents the most desperate tragedy for the people of Lebanon. One of the most dangerous outcomes of the crisis would be civil war breaking out again and a democratically accepted Government in Lebanon collapsing. If that happens, Israel could be left with an even worse situation than the one that it currently faces—a possibility that surely underlines the need to take urgent international action now.

Susan Kramer (Richmond Park) (LD): Does the right hon. Gentleman agree that DFID and other donors face a difficult challenge as they see their investment in the reconstruction of Lebanon, which at last gave hope to its communities, destroyed in a matter of weeks? Does he think that the Government can persuade donors once again to commit that kind of money, knowing that a repetition of the situation will continue to be possible?

Mr. Hague: The situation is difficult and dispiriting. People will look once again to the generosity of the British and other taxpayers and donors. I believe that that generosity will continue in the future but the situation is immensely dispiriting, which brings me to the immediate issue of what can be done without delay to bring an end to the current bloodshed.

The right of Israel to defend itself, like any country, is clear. Its desire severely to damage the ability of Hezbollah to attack the Israeli civilian population is understandable. As the Prime Minister pointed out yesterday, calling for an unconditional ceasefire from

Israel is futile, because there is unlikely to be a ceasefire unless the kidnapped soldiers are returned, rocket attacks on Haifa cease and some hope is provided that the international community will help Lebanon to have a stable future. However, it is not clear that it is in the interests of Israel, let alone of anyone else, to delay for one moment the effort to bring about a ceasefire under those or any other conditions.

In response to the question put by my right hon. and learned Friend the Member for Devizes (Mr. Ancram), I think that we can say that elements of the Israeli response are disproportionate, including the attacks on Lebanese army units, the loss of civilian life and essential infrastructure, and the enormous damage to the capacity of the Lebanese Government. A disproportionate Israeli response will damage the Israeli cause in the long term, even if it was partly brought about, as the hon. Member for Liverpool, Riverside (Mrs. Ellman) said, by the callous stationing of military units in civilian areas.

Dr. Julian Lewis (New Forest, East) (Con): Does my right hon. Friend agree that the Lebanese Government's case would be immensely strengthened if they publicly disowned the activities of Hezbollah and requested the international community to take the action necessary to contain Hezbollah that they evidently cannot undertake themselves?

Mr. Hague: My hon. Friend points to part of the immense difficulty for the Lebanese Government, because there are of course Hezbollah members of that Government. There is no doubt that the Government of Lebanon would like the implementation of UN resolution 1559. They believed that they had started a political process that could lead to that, but it did not happen in sufficient time to spare us from the conflict, which was launched deliberately, as the Foreign Secretary said, by Hezbollah.

Tony Lloyd: The right hon. Gentleman makes the essential case that as an act of policy Lebanon must be strengthened in terms of the functioning of the state, so that we can expect the Lebanese to do the things that the hon. Member for New Forest, East (Dr. Lewis) has just suggested—but that will take time. Is not it in Israel's interests to make sure that the Lebanon that emerges from the current situation has the capacity to rebuild itself? Continued bombardment will destroy that capacity.

Mr. Hague: Absolutely. The hon. Gentleman anticipates my next point and underlines the urgency of the case from the point of view of the international community. It is by no means clear that continued bombardment of Hezbollah areas will result in military success for Israel. The idea that it is somehow in the interests of Israel or of a longer-term solution for the fighting to go on for several more weeks may prove to be woefully misguided. The removal of Hezbollah from southern Lebanon and the implementation of UN resolution 1559 will require a political process of some kind, which requires a successful Lebanese Government who can work with the Israeli Government.

Chris Bryant (Rhondda) (Lab): Will the right hon. Gentleman give way?

Mr. Brooks Newmark (Braintree) (Con): Will my right hon. Friend give way?

Mr. Hague: Let me make a little more progress, or my speech will become as long as the Foreign Secretary's, understandably, became.

I do not underestimate the immense difficulties for anyone trying to bring about an agreed ceasefire in a conflict where one party is a terrorist organisation whose primary links are to countries such as Iran and Syria, which are already at loggerheads with most of the international community. However, it was dispiriting that the G8 summit at St. Petersburg, despite the reference to the UN Secretary-General of which the Foreign Secretary spoke, produced so little unity and such an apparent shortage of the will to take immediate action. The Prime Minister's famous "Yo" conversation with President Bush meant that the headlines were once again about those two leaders being too close together, when the real story was surely that the G8 leaders as a body were not remotely close enough to each other. The evident failure of the leaders of countries with a huge influence in the middle east region, including France and Russia, to overcome their differences even to the extent of being able to take some co-ordinated initiative was the most enduring impression of the G8 summit.

Mr. Love: Was not one of the great successes of the Cedar revolution that the Syrians were made to leave Lebanon, and is not one of the great dangers now that Syria will fill the vacuum that is created?

Mr. Hague: Yes, absolutely. Again, that is a powerful point. Most of the hon. Members who have intervened on me or the Foreign Secretary so far have made powerful points—again underlining the need for the international community to move as quickly as possible.

Mr. William Cash (Stone) (Con): Did my right hon. Friend by any chance listen to the remarks of Javier Solana on "Newsnight" yesterday, which quite clearly indicated concern about the position? Will my right hon. Friend indicate by what authority Javier Solana would speak on behalf of the European Union as a whole when the Government on the one hand and my right hon. Friend on the other see that there is a need to have a clear path to producing a solution to this problem, which will not come as a result of the intervention of people such as him?

Mr. Hague: My hon. Friend will forgive me—even though I may have some sympathy with what he says, we are not going to resolve that issue in today's debate. That is not the debate's role. Our priority is the immediate crisis in the middle east, in which EU representatives and others may have a constructive role to play.

Mr. Gerrard: The right hon. Gentleman referred to the G8 and the fact that nothing very strong had been said. Is not one of the real problems the US attitude? If any other state had been doing the sort of thing that

[Mr. Neil Gerrard]

Israel has been doing and smashing to pieces the infrastructure of one of its neighbours, we would have heard much stronger words from the G8, the US, the UK Government and the UN.

Mr. Hague: I do not want to apportion blame about the G8. I am making a general point. The United States has enormous influence over Israel, but France has enormous influence in the Arab world and Russia has enormous influence when it comes to Iran. There is a general argument to be made about the ability, willingness and capacity of the leaders of those countries to work together on something such as this. The finger cannot be pointed just at the United States.

Greater co-ordinated action, not just in the UN, is now needed. I hope that the Government can tell us more about the apparent plans of the US Secretary of State to travel to the middle east, about whether there is any possibility of the Prime Minister travelling there, as he clearly offered to go in his conversation with President Bush, and about whether the announced visit of the French Prime Minister to Lebanon is in any way co-ordinated with British and American diplomatic efforts.

It is also important to hear much more about the proposal floated by the Government for an international force to act as a buffer in southern Lebanon. We should have an open mind about such a proposal, but not forget the immense difficulties faced by such a force in the 1980s, which resulted in heavy loss of life and mounting resentment against the west. To avoid the limitations of the United Nations Interim Force in Lebanon, such a force would have to have a robust mandate, operate on a large scale, and be well equipped and made up of good quality troops. Given that the British Army is stretched to the limit, and American forces could not fulfil a peacekeeping role in this context, it is not clear where those forces are to come from. I hope that, when the Minister winds up, he will be able to say more about the discussions taking place with our allies, particularly France, and about whether these proposals are being worked up in detail and whether it is understood that, to be useful, such a force would have to be involved in actually disarming Hezbollah—obviously a difficult undertaking.

We all hope that the meeting of the UN Security Council will help to produce a strong impetus for a co-ordinated approach from the world's leading powers—particularly one involving Russia and France, for the reasons that I have just given. We all fully realise that the Government cannot bring about such co-ordination on their own, but the efforts of the British Government in calling for it should be vigorous and clear. So far, the failure to produce an international initiative is ominously reminiscent of the early stages of the Balkan crisis of the 1990s. One of the reasons why this is so worrying is that the crisis in Lebanon is likely to make the other problems of the middle east harder to deal with. Those problems, taken together, are becoming by far the single greatest foreign policy challenge for us and our allies.

It should be a sobering thought for all of us who deal with foreign affairs—in government or opposition—that instability in the middle east could become seriously worse in the coming years. Whoever wins the next election in this country or the United States could easily face a nuclear-armed Iran, continued violence in Afghanistan, a still unstable Iraq, a stalled peace process between Israel and the Palestinians and major instability in one or more of our major Arab allies all at the same time. All those conflicts have the potential to feed into, or to be hijacked by, forms of international terrorism.

Malcolm Bruce (Gordon) (LD): The right hon. Gentleman makes a powerful and important point about the need for international action. Does he agree that British interests are under direct attack? British citizens are having to be evacuated, British forces are being diverted and British aid money is being destroyed and bombarded. Does he share my concern that the British Government do not seem to be able to speak clearly about British interests without reference to an American lead that requires them to conform entirely, rather than defend our interests as well?

Mr. Hague: The British Government have to work closely with our allies, including our American allies. There should be a distinctive British approach to the middle east and, despite the limitations of a short debate, I shall mention that briefly in a few moments.

I was making the point that such a combination of factors presents one of the most alarming outlooks for world peace that we have seen in decades. Even though this week's urgent news is from Lebanon, it is thus vital to keep in mind the many other components of the darkening scene in the middle east and to develop a clear strategy for the coming years. As the Foreign Secretary did, I want to touch on a few of those other matters.

On Israeli-Palestinian relations, there is an urgent need to find a route back to a genuine and equitable peace process on the basis of a two-state solution. That clearly requires the new Palestinian Authority to meet the international community's demands to renounce violence, to recognise Israel and to accept previous agreements. It also requires Israel to preserve the Palestinian institutions and infrastructure that will form the basis of a Palestinian state. The security barrier that was erected by Israel, which many of us have visited, has, for the moment, brought greater security for Israelis, but it is now clearer than ever that long-term peace and security for Israel can come only through agreement with its neighbours. When the Minister for the Middle East winds up the debate, will he indicate whether the Government can tell us anything more about any progress at all on such matters? Can anything more be done to ensure that the necessary flow of humanitarian assistance to the Palestinian people actually takes place?

In parallel, we have the continuing stand-off over Iran's nuclear programme, about which the Foreign Secretary spoke. We certainly welcome the decision to return the issue to the Security Council. Britain has quite rightly been at the forefront of efforts to generate and maintain consensus over Iran. We hope that the united front that the permanent members of the Security Council have shown to date will be maintained now that we are approaching a critical juncture in our dealings with Iran. Perhaps the Minister can tell us whether we can be confident of the robust support of all members of the Security Council at this stage. Have Russia and China indicated at all their willingness to support a resolution that would pave the way for meaningful sanctions, if necessary, should Iranian intransigence continue?

At the same time, we face a very difficult situation in Iraq, with the UN assessing the number of civilian deaths as 6,000 in May and June alone. The Minister of State, Ministry of Defence, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram), has conceded that the threat level in Basra has increased, and the Prime Minister recently stated that Iranian armaments have caused the deaths of British soldiers. It would be a disaster to do anything now that would make the job of the democratically elected Iraqi Government more difficult. The one encouraging factor is that they have been able to take control of larger areas of their own country, but are Ministers satisfied that there are sufficient patrols along the Iran-Iraq border and that the security situation in southern Iraq will not deteriorate further? As my hon. Friend the Member for Lancaster and Wyre (Mr. Wallace) asked the Foreign Secretary, if we believe that Iran is sponsoring terrorist attacks on our troops, what action is to be taken? There is no indication that the Iranian ambassador has been called in. What the Prime Minister says publicly and the Foreign Office does in relation to ambassadors should be consistent, so we hope that it will be in the coming weeks.

Simultaneously, in Afghanistan—if I may briefly mention that subject—the Government have admitted that British troops in Helmand have met stiffer resistance than was anticipated. More troops have been sent, as we know, but given the serious possibility that further troops will be required for the Afghanistan mission to succeed, would it not be a good idea for the Government now to make the case to our NATO allies that the consequences of failure in Afghanistan would be catastrophic, and that a much larger contribution may be required from the rest of NATO?

Yesterday, in a Parliamentary answer to the shadow Defence Secretary, my hon. Friend the Member for Woodspring (Dr. Fox), the Secretary of State for Defence said:

> "Neither the Taliban, nor the range of illegally armed groups, currently pose a threat to the long-term stability of Afghanistan."—[*Official Report*, 18 July 2006; Vol. 449, c. 342W.]

It would be interesting to know whether that assessment, which seems rather complacent, is shared by Foreign Office Ministers. Although an enormous amount of good work has been done in Afghanistan, the overall picture after five years is still of a country with weak institutions, widespread corruption and a deteriorating security environment. It is of paramount importance to give renewed vigour and co-ordination to the international reconstruction effort. We have advocated the appointment of an international co-ordinator of such efforts with a powerful mandate. The Government have said that that is a constructive suggestion, but I am not aware that anything has been done about it, even though, given the persistent reports of poor co-ordination, waste and corruption, the matter would seem to be of the highest urgency.

All those issues have common threads, which I shall draw together. Time and again, the same countries deliberately work against our efforts to secure peace in the middle east. The same grievances of western bias and unfair policies are voiced by parties in the different conflicts. All those grievances require a firm, clear and hard-headed approach from the British Government, but the fact that there are so many interlocking conflicts underscores the need for all of us in this country to develop a clear and coherent foreign policy towards the middle east, and to pursue it consistently over many years. Our genuine influence in the middle east is at a low ebb, and no Foreign Secretary can be satisfied with that. That is a great challenge for an incoming Foreign Secretary, so I hope that the right hon. Lady will take it up.

Such a strategy for the middle east must include serious economic and security initiatives, accompanied by a serious effort to raise and sustain the level of our contacts throughout the region. A glance at our relations with the Gulf states illustrates the point and the need for the strategy. Countries such as Qatar and the United Arab Emirates could play key roles in our dealings with Iran and in the future of Iraq. They are our natural allies, yet in nine years of highly active foreign policy the Prime Minister has not visited those countries. There may be much more that we could do to help them with their regional security framework, and there is almost certainly more that we could do to boost trade and economic ties. There is a great deal more that we could do to foster links between Parliaments and educational institutions, to promote cultural links and to encourage civil society and co-operation on terrorism, religious radicalism, climate change and nuclear proliferation.

Today, I received a written answer from the Foreign Secretary saying that if any security initiative in the Gulf is to be successful, leadership must come from within the region. That may be true, but much more could be done to stimulate such an initiative. Maintaining contacts in the region should be one of the highest priorities for the Foreign Office. The Prime Minister's personal envoy to the middle east should not be his fundraiser, however well intentioned he may be; I put it to the Foreign Secretary—this is intended to be helpful—that the Prime Minister's personal envoy to the middle east should be the Foreign Secretary, relentlessly backed up by our ambassadors. Other instances of what could be done include elevating NATO's Mediterranean dialogue, which includes Algeria, Egypt, Morocco and Tunisia, to the level of genuine partnership in the broader region of the middle east. That could contribute to regional security, stability and so on—I could go on, but many other hon. Members wish to speak.

Those measures and probably many more are required if the United Kingdom is to make diplomacy in the middle east a strong priority. We need to ensure that the machinery of government in our country is properly equipped and designed to deliver such a co-ordinated approach. Three weeks ago in the House of Lords, the noble Lord Owen, a former Foreign Secretary, delivered a speech that ought to be read by all hon. Members, in which he argued that the changes introduced by the Prime Minister to the way in which the Cabinet is involved in and informed about foreign

[Mr. Hague]

and defence policy has contributed to a series of miscalculations. The right hon. Member for Birmingham, Ladywood (Clare Short), who served in the Cabinet, is nodding at that.

Lord Owen pointed out that the introduction of Cabinet secretariats inside No. 10 no longer serving the entire Cabinet led to other senior Ministers being denied access to the full flow of information coming back from Army commanders or from the Foreign Secretary to the Prime Minister, leading to issues not being evaluated and decisions not taken in a properly balanced way. Given the lack of planning for reconstruction in Iraq and the evolution of policies so far in relation to Afghanistan, such issues need to be addressed. Our armed forces have never let us down and it not acceptable if the operation of Government might do so.

I believe that to drive reinvigorated and long-term policy of British engagement in the middle east is a major challenge for the Foreign Secretary, but it is one that she ought to take up, for we know full well that even when the immediate crisis has passed, the forces that precipitated that crisis will create many more and are becoming stronger all the time.

Mr. Deputy Speaker (Sir Michael Lord): Order. I remind the House that Mr. Speaker has placed a 10-minute limit on all Back-Bench speeches, which applies from now on.

3.40 pm

Mike Gapes (Ilford, South) (Lab/Co-op): On behalf of those of us who follow foreign affairs closely, I begin by saying that the dedication and commitment of the British people who are helping to get our citizens out of Lebanon has rightly been praised in the debate. When the crisis is over, I hope that the Foreign Affairs Committee will look at the issue in the same way as we reviewed what was done after the tsunami and after hurricane Katrina in the United States. The work that is done by many, many people in the crisis teams and in the region is often taken for granted, but they work long hours and incredibly hard, and we should recognise the role that they are playing.

Much has been said by the Foreign Secretary about the origins of the present crisis and I shall not dwell on that. I shall focus on how we can move forward and out of the crisis. The situation is potentially extremely dangerous. One reason is that Syria and Iran are using Hezbollah as a proxy for their own political positions. Syria and Iran have the ability to tell Hezbollah to stop what it is doing. They have the ability to cut off its supply of weaponry and stop its funding and training camps. The question is what Syria and Iran will do.

On the other side, we have seen the reaction by the Israeli Government, who are a new Government with a Prime Minister who has been in office only a short time and who does not have a military background, and a new Defence Minister who is a trade union leader, whose own town was attacked by rockets from Gaza for a considerable time and who feels, as I suspect the new Prime Minister does, that this is a test for him. The situation is extremely dangerous.

I have had many conversations in the past few days with diplomats of a number of countries in the region. It is clear to me that there is a perception that neither Hezbollah nor the Israeli Government wish to end the crisis immediately. Hezbollah wishes to pursue it because it is part of its realignment of its strength in Lebanon and in the interests of Syria and Iran, and the Israeli Government have a policy and believe at this moment that they may be able to eliminate Hezbollah as a threat to Israel. Both positions are extremely dangerous.

As has been said, one cannot eliminate a terrorist organisation that is living in a community by air attacks or military action. There must be a combination of military, political, diplomatic and economic action, and it is time that we started thinking about the other ways to reduce Hezbollah's influence among the Shi'a communities of southern Lebanon.

Several Members, including the hon. Member for Newark (Patrick Mercer), referred to Hezbollah's global threat. Hezbollah has carried out terrorist actions not only in the middle east but elsewhere. Years ago, it attacked a Jewish cultural centre in Argentina. The Gulf states have been mentioned. There is deep concern in the Emirates and elsewhere in the Gulf about the potential threat that it poses to many other countries in the region.

Before this crisis blew up, the Foreign Affairs Committee published a report on 2 July in which we highlighted, among other things, an international role played by the Iranians that is not helpful in several respects. We talked about their links to terrorist organisations and the way in which they could do more damage if the crisis over their nuclear programme deteriorates further. We are on the cusp of a very serious international situation that requires cool heads and diplomacy. It also requires our Government, the European Union Governments and the G8 Governments to work with Governments in the Arab world. At this moment, the Governments of Saudi Arabia and Egypt are working desperately hard for diplomatic solutions. It is interesting that the statements made by Arab Governments in the region were very critical of Hezbollah and what it has done.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): In agreeing with what my hon. Friend says, does he think that it would be positive for the Organisation of the Islamic Conference to have a far greater role in trying to influence Syria and Iran, and Hezbollah and Hamas, to achieve a settlement so that we can put Israel back where it belongs and allow a peaceful settlement in the whole area?

Mike Gapes: That would be very helpful, but, sadly, as we have seen in Iraq, there are elements internationally within the Muslim world that are trying to create a conflict between the two sides.

While we are all focusing on this immediate crisis, other things are happening in the world. At this very moment, the Union of Islamic Courts militia in Somalia is marching towards Baidoa, which is the base of the transitional Government in Somalia. The UIC militia is backed, militarily and in other ways, by Eritrea. The transitional Government are backed by Ethiopia. The BBC World Service reported at lunchtime that Ethiopian troops have moved into Somali territory around that area. There are potential dangers there. Although the UIC is an unusually broad organisation, it contains elements, including the speaker of the Shura Council, who are on the international list of terrorist organisations and have links with al-Qaeda.

Somalia is on the other side of Saudi Arabia from the area that we are discussing. Nevertheless, there are several conflicts in the region, with Muslim-on-Muslim violence, Shi'a against Sunni violence, as in Iraq, and, on top of that, the ongoing, long-standing struggle of the Palestinian people for their own state while Israelis feel that there is a threat to their very existence through organisations such as Hezbollah, Islamic Jihad and Hamas. We need cool heads and active engagement by the international community.

That brings me to my final point. It seems that the United States Administration have at last decided to send the US Secretary of State to the region. It is at least a week too late, but if it happens this weekend, I hope that some influence, with the weight of the only global superpower, can be brought to bear on trying to solve and defuse this crisis. Last December, Condoleezza Rice played a positive role in the opening of the Rafah crossing. The Select Committee visited the region and Rafah. We saw the Italian-led carabinieri mission, with Romanian and Danish people policing the border between Rafah and Gaza that is so vital for the Palestinian people and their economy. Condoleezza Rice did a good job at that time. She has the ability and the political clout to play a big role now.

I hope that the United States will not do what it did at the beginning of the Bush Administration. It should become actively engaged because we need not only a solution to the crisis in Lebanon, which is a humanitarian and political disaster, but a middle east solution, whereby we get back to the road map, with the two-state solution that so many of us want.

Fiona Mactaggart (Slough) (Lab): My hon. Friend has spoken strongly about the capacity of the United States to make a difference. Does he believe that the message, which appears to have been heard internationally from the United States, that Israel can act with impunity, is one element that creates some of the risks?

Mike Gapes: I am not sure that the Israeli Government would be restrained by people saying that they would not act with impunity. I do not believe that the American position is that Israel can act in any way that it wishes. I have seen the declaration from the G8, and the United States has signed up to several things that call for restraint. One could say that there are signals, but we all know that the US Administration contain different voices. The statement that the US ambassador, John Bolton, made to the United Nations was unhelpful. However, Condoleezza Rice will now visit the region.

The House must maintain close scrutiny of the position. I welcome the debate this afternoon and I concur with the right hon. Member for Richmond, Yorks (Mr. Hague) about the need for an extended period of questions or a statement on Tuesday. I hope that Parliament will be recalled if the situation deteriorates so that the House can discuss it in the next few weeks.

3.51 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): It is a pleasure to follow the hon. Member for Ilford, South (Mike Gapes), with whom I worked closely when we both served on the Westminster Foundation for Democracy. He, along with the Select Committee, is doing excellent work. I join him and others in welcoming this afternoon's debate and especially the Foreign Secretary's commitment.

There are honestly and strongly held differences of opinion in the House about the reasons for the conflict and the nature of our response to it. Given everything else that the Foreign Secretary has on her plate, her willingness to meet a group of hon. Members the other day to discuss the matter and to be here this afternoon is welcome. I am sure that the House is grateful to her for that.

Our television screens, newspapers and websites are full of the sickening images of carnage and destruction from the middle east, on a scale we hoped never to see again. We are now beginning to hear some of the personal accounts of the violence, destruction and fear in the region from the first of those mercifully evacuated in the past couple of days.

Our immediate attention is understandably focused on the safety of British citizens and their families who are seeking to leave and those who judge that they need to stay. We all welcome the speedy evacuation of those British nationals so far and applaud the efforts of the Royal Navy, the rest of the armed forces and especially the diplomatic services for their tireless efforts in truly shocking and difficult conditions. We also welcome the information about the continued efforts to provide additional resources to them as they go about their difficult and dangerous work.

Like others, I acknowledge that the situation is changing fast. I, too, hope that other means will be used to keep the House and the country informed about what happens in the days ahead.

The tragic mess that British citizens and others wish to leave behind is getting worse by the day. Although our immediate focus is on the events in Lebanon, we must not forget what is happening in Gaza. I shall revert to that briefly later. The origins of the unfolding disaster in Lebanon are clear. The unprovoked attack by Hezbollah on Israeli territory and the kidnapping of two Israeli soldiers was the trigger, and should rightly be condemned. The return of those soldiers is essential to the prospects for peace.

Israel has a moral and legal right to live in peace within recognised and secure borders, and a right to act in self-defence. Let us not forget that at least 29 Israelis, including 15 civilians, have been killed by rockets fired by Hezbollah into Israel, and that thousands now live in terror. But, as the shadow Foreign Secretary highlighted, the Lebanese Prime Minister has estimated that as many as 300 people have now been killed in his country, and about 500,000 have been displaced by the violence. They too live in terror.

[Mr. Michael Moore]

The scale and aggression of the Israeli military action is clearly disproportionate. It amounts to collective punishment and is therefore illegal under international law. Whatever the Israelis' objectives, their actions are destroying a country only recently rebuilt after decades of war. As others have said, they are undermining the fragile political state of Lebanon, and all but guaranteeing the radicalisation of swathes of people in the middle east and around the world. We need an urgent ceasefire and collective world action to prevent this crisis from spiralling into other parts of the region.

Mrs. Ellman: Does the hon. Gentleman agree that, in attributing blame, it is right that he should blame Hezbollah for the way in which it is acting from Lebanese territory to destroy the citizens of another country, against United Nations resolutions? Will he not castigate the Lebanese Government for permitting that to happen, despite promises to the contrary?

Mr. Moore: I am disappointed by the hon. Lady's question, because I thought that I had dealt robustly with the first of her points. On her second point, of course the Lebanese Government have responsibilities under United Nations Security Council resolution 1559. However, the Foreign Secretary has highlighted plenty of other United Nations resolutions that oblige the Israeli Government to take certain actions. Given the fragility of Lebanon, we are kidding ourselves if we think that every last requirement of resolution 1559 can be delivered without the due and proper political process that will now end up on the scrap heap unless we take concerted international action to help Lebanon to get back to where it was.

Mr. Ancram: The hon. Gentleman was talking about securing a ceasefire, and I can see that the Israeli Government might be persuaded to cease fire. But how are we to persuade Hezbollah to do so?

Mr. Moore: The right hon. and learned Gentleman makes an important point. If I may, I will ask him to pay attention to some of the points that I shall make later. Clearly, this depends not only on Hezbollah listening to the international community's demands for a ceasefire but on others in the region, such as Syria and Iran, putting pressure on Hezbollah.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Will my hon. Friend give way?

Mr. Moore: If my hon. Friend will forgive me, I want to make some progress, as many other hon. Members rightly wish to contribute to the debate.

Lest we forget, there is another bleak and desperate situation in Gaza. Today and on many other occasions, there will be long and angry debates about the origins of this part of the crisis. But in the short term, let us understand that Israel had a right to respond to the kidnapping of its soldier. It is estimated that, since 28 June, the Palestinians have fired more than 150 home-made rockets towards Israel. For their part, the Israelis have fired more than 600 artillery shells into Gaza, and the Israeli air force has conducted 168 aerial bombings on the territory. People there are also living in terror.

One Israeli defence force soldier has been killed and 12 Israelis have been injured; 100 Palestinians, including 30 children have been killed, with 300 Palestinians injured. The bombing of Gaza's central power station has deprived some 750,000 Palestinians of electricity, with terrible consequences for essential sewage and water systems. Other vital infrastructure has been destroyed, causing thousands to flee their homes. UN programmes such as schools and clinics have been damaged or destroyed. It is estimated that as many as 80 per cent. of Palestinian households are living below the poverty line. Beyond that, Israel has abducted members of the Palestinian Legislative Council, including eight Ministers as well as other officials. Those and other detentions violate due process, are unlawful and should end.

In sum, the scale of the Israeli actions in Gaza are again disproportionate and amount to collective punishment. The world must respond, and so far the international reaction has been utterly baffling and depressing. Let us be clear about one issue in that respect: whatever the roles of outside Governments such as those of Iran and Syria in fuelling the conflicts, they must end. We cannot risk the broadening of this conflict across the region, and we must not allow a proxy war in the middle east. Those countries outside the region who have influence over those Governments must make that absolutely plain.

We must be absolutely clear that the first priority of the whole international community is to call for a ceasefire and to create the conditions in which it can be sustained. I do not understand the reluctance of the Government to describe Israel's actions in clear terms as disproportionate. What is impossible to fathom, however, is our nuanced attitude to a ceasefire. Our relationship with America is fundamental in that regard. Whether real or not, even the perception that the United States Government are willing to give a green light to Israeli military action for a few more days is deeply damaging. Of course, if it is for real, it is utterly deplorable. For us to go along with that would be a disgrace.

Susan Kramer: Does my hon. Friend think that the Minister should address a phrase used by the Foreign Secretary, who essentially said that she did not wish to see the events in Lebanon and Gaza continue longer than is necessary. The term "necessary" should be explained, so that we understand what approval she is giving through its use.

Mr. Moore: I am sure that the Minister has heard that point.

Margaret Beckett: What I meant was that I would not wish to see the events continue for a second longer. I advise the hon. Lady not to read anything more than that into my words.

Mr. Moore: The Foreign Secretary has made her position abundantly clear.

Unfortunately, the divisions in the international community have been rather too obvious. Some of them are tactical, and many are longer term and as deep-seated as the unresolved peace process itself. Regardless of those divisions, surely there is now an imperative to overcome them and recognise the simple truth that, without a ceasefire there can be no prospect for peace on whatever terms. If that can be achieved, an appropriate UN force ought to have the support of all of us. Surely that must now be the priority for the Security Council. If the Quartet as an institution is to maintain any credibility, all its partners must be engaged as one, including the European Union. European Union countries have long-standing commitments to the region, as the level of aid from the EU and trade with Israel and the Palestinians demonstrates. We should make it clear that Israel has obligations under the EU association agreement, which it must fulfil. A middle east further destabilised by this conflict, or worse, will surely undermine the very security and freedom from threat that Israelis properly crave. As part of the broader process, we need to persuade Israel of that.

The broader peace process appears further away than ever, with the road map shredded and looking hard to repair, but we will have to make every effort in that regard. Ludicrous as the timetable in the original document now appears, it remains the main starting point. We will have to return to the need for Hamas to recognise the key principles—accepting Israel's right to exist, adherence to the principle of non-violence, compliance with previous peace treaties and commitment to the road map. As the shadow Foreign Secretary pointed out earlier, we need to highlight the fact that the construction of the barrier in Israel is a manifest violation of international law, as confirmed by the International Court of Justice. There must be a halt to ongoing settlement expansion on occupied territory, and illegal outposts need to be dismantled. There are many other legitimate, long-standing issues, which, I hope, can be addressed as soon as possible. I hope that Israel, as well as others, will observe all United Nations resolutions in full.

There are issues to be considered beyond the immediate crisis. As others have said, the situation in Iraq can clearly only be complicated by what is going on. Others have also mentioned the delicate situation in relation to the Iranian nuclear plans.

The Leader of the House said yesterday that the debate would be widely drawn, but there is a clear reason for it. Obviously many Members want to speak about what is happening in the middle east, but, in keeping with the spirit of what the Leader of the House said about revisiting the allocation of time for foreign affairs debates, may I ask for a debate to be scheduled soon after our return in October? Our eyes may be diverted at present, although we must pray that that is temporary; but the turning of our attention to Iraq and Iran is long overdue. As the Foreign Secretary's final remarks about Doha and Darfur made clear, there is much else to debate.

While we debate, people continue to die or flee for their lives in the middle east. There must be a ceasefire: that is urgent. The soldiers must be returned, and a new peace must be kept. In all that, the international community has been making different efforts but remains divided. Those divisions must end if there is to be hope for the swift establishment of peace.

4.13 pm

Clare Short (Birmingham, Ladywood) (Lab): I think we would all agree that all human beings should deplore the killing, injuries and destruction of infrastructure in Gaza, Lebanon and Israel. Leaders on all sides should note the warning from Louise Arbour, the United Nations Commissioner for Human Rights, who has a distinguished record as a judge in Canada and as an international prosecutor. She warned yesterday that the scale of the killing in Lebanon, Israel and the Palestinian territories could involve war crimes. Hers is an authoritative voice, not to be swept aside. She made it clear that the obligation to protect civilians during hostilities was laid down in international criminal law, and concluded:

> "The scale of the killings in the region and their predictability could engage the personal criminal responsibility of those involved, particularly those in a position of command and control."

That would of course include the leadership of Hezbollah, but it would also include the Government of Israel.

I had the honour of working with Louise Arbour when she was an international prosecutor, trying to ensure that there was no impunity for those who had caused the genocide in Rwanda. She is a very considerable woman, and her analyses should be taken very seriously. I would love to think that leaders on all sides would be held accountable by the international community in the way that she suggests, and that if they were, the use of excessive force would be restrained; but we know from the record of the international community that that will not happen.

Israel has been in breach of UN resolutions for many years. It has also breached international law in building settlements in the Palestinian territories, in building the wall—not on the 1967 boundary, but taking in a large amount of Palestinian land—in carrying out targeted killings, in kidnapping Palestinians including members of the Government and holding them without trial, and in killing large numbers of Palestinian civilians. We should deplore the killing of any civilian—indeed, the killing of any person—but the number of Palestinian deaths is much greater than the number of Israeli deaths, and the number of Lebanese deaths is much greater than the number of Israeli deaths.

The way in which we talk suggests that we are saying that an Arab life is not as important as an Israeli life. That is profoundly wrong, but it is the balance of the discourse far too often, and it is the cause of the rage of the Arab and Muslim world. I also have no doubt that the massive killing of innocent Lebanese civilians and the destruction of infrastructure is so disproportionate that it too is a war crime, as was implied by the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore).

What is the position of our Government? Does it follow the analysis of the United Nations High Commissioner for Human Rights? It does not; it follows what is called for by the United States in always backing up Israeli Government policy. The US denounces Hezbollah and Hamas and supports Israel's right to defend itself in this way, and it blames Iran and Syria for Hezbollah's actions, thus spreading the fear

[Clare Short]

of a widening military action and encouraging the use of irregular forces throughout this very dangerous region.

In my view, our Government's policy is so unbalanced and so disrespectful of international law and of the equal human rights of all people in the region that it inflames the situation, inciting large numbers of angry young Arabs and Muslims to the conclusion that there is no political route to justice. We know from history that where that view prevails, there is an increase in support for the use of violence by irregular forces. In my view, UK policy is not just unbalanced and morally wrong, but totally counter-productive and likely to increase the problem of terrorism, even though it is supposed to be a central feature of our foreign policy to try to constrain that threat.

There is, however, one point that the Prime Minister keeps making with which I agree. As soon as a ceasefire can be agreed to end the violence in Lebanon—it should be called for unequivocally and immediately, and Israel should not be allowed all this time to continue; it has obviously been licensed by the US Administration—it is essential to turn attention to the core problem that destabilises the middle east, which is the unbearable suffering, oppression and impoverishment of the Palestinian people.

The answer to that problem is a two-state solution based on 1967 boundaries, with east Jerusalem as the capital of the Palestinian state. That proposal—accepted by the Palestine Liberation Organisation at Oslo and outlined in the road map, to which the Prime Minister constantly refers—is a solution favoured by the majority of Israeli and Palestinian people. Let us be clear about that; it is undoubtedly the way forward. It is perfectly clear from all the evidence and all the facts on the ground that Israel does not accept the right of the Palestinian people to a state based on the 1967 boundaries with east Jerusalem as its capital. The road map and the chance of a two-state solution is evaporating before our very eyes. The Prime Minister constantly refers to the road map, but does nothing to bolster it.

Israel's wall—not based on the 1967 boundaries, but taking in large swathes of Palestinian land—has been declared illegal by the International Court of Justice, but nothing has been done about it. Israel's massive settlements in the occupied territories are illegal in international law. If we also take into account the network of roads, the constant destruction of Palestinian houses, the domination of water resources and the containment of Palestinians, preventing them from travelling across their territory or trading with the outside world, it is quite clear that the terrible impoverishment and constant humiliation of the Palestinian people has been systematically put in place so that Israel can impose a unilateral settlement, as former Prime Minister Sharon and now Prime Minister Olmert acknowledge. Israel wants the maximum territory with the minimum of Palestinian people within it.

Mrs. Ellman: My right hon. Friend holds Israel solely to blame for the failure to reach a solution on the setting up of a Palestinian state. Does she agree with the views of Saeb Erekat and former President Clinton, who laid the blame fairly and squarely at Yasser Arafat's stall for rejecting a proposal that would have led to a Palestinian state, living at peace with Israel?

Clare Short: No, I do not, and I very much regret the fact that my hon. Friend is so absolutely unbalanced in her attitude to these matters. I do not believe either that her comments are helpful to the people of Israel, whom she seeks to defend and protect.

Israel's dilemma—and this is the view of many serious scholars and commentators, but it is not said often in the House—is that it wants the maximum territory, way beyond the 1967 boundaries, as is clear from all its actions, with the minimum of Palestinians. It has now become clear that the issue is to be resolved by confining the Palestinians to a series of Bantustans, exactly as the apartheid regime in South Africa attempted to do. The plan is for a second ugly, legally and morally wrong, apartheid settlement. It is clear that President Bush has given the green light and it follows, of course, that our Prime Minister—whatever he says about the evaporating road map—will follow wherever President Bush goes and whatever the error of the US Administration's ways. I am afraid that that will ensure continuing violence, destabilisation of the middle east and recruitment of ever-growing numbers to the use of violence for decades to come. The irony of that is that it is likely to lead in the end, no matter how long it takes, to the demise of the Jewish state as, just as with apartheid, more and more people support the call for the establishment of a secular Palestinian state—because that is the logical answer if we cannot have two states—where Jews, Arabs, Christians and all others can live together as equal citizens. We are, I am afraid, heading for further violence and catastrophe, and I am sad to say that our Government are following President Bush's errors and pouring petrol on the flames.

4.15 pm

Mr. Michael Ancram (Devizes) (Con): It is difficult to speak in a debate like this without feeling a sense of sadness and despair. Here we are, talking about Israelis, Palestinians and Lebanese dying. I came to this House just after the Yom Kippur war in 1974 and we were talking about exactly the same thing then. It is difficult sometimes not to despair that the problem is intractable. I have never believed that and I hope that the House does not make the same mistake.

I thought that the speeches by the Front Benchers were comprehensive and well balanced. The one by my right hon. Friend the shadow Foreign Secretary was also more realistic, in that he accepted that some of what is happening is disproportionate. It is important that we are realistic in how we address this problem.

I speak on this subject as a friend of Israel of very long standing and a friend of Palestine. When people say to me that I cannot be both, I say that if one believes in the two-state solution, one has to be both. We have to be able to say that we are not standing on the sidelines shouting abuse at one side or the other, as we so often do in this House, but that we want to be part of the solution and that, therefore, we are going to take an even-handed approach.

I will discuss why I believe Israel's reaction to terrorism is justified, but when I consider the conflict and what is happening today I am also reminded that in all the conflicts in history military action has never resolved them. Military action has often helped to contain them, but in the end they have been resolved only by dialogue and negotiation. When we talk about the short term, it is no substitute in the middle east for returning to the negotiation without which there will be no immediate answer.

I believe that the two-state solution is a workable outcome. I listened to what was said at Camp David and I read what was said at Taba. I have heard what has been said since then in response to the road map and the indications suggest it is possible to achieve a solution on the two-state basis. But that will happen only if there is mutual confidence on both sides of the argument—a belief in Israel that they can live secure from terror and attack within their own boundaries and a belief among the Palestinians that theirs will not be an oppressed and vassal state, but a real and viable state that can live properly alongside Israel. Without such confidence, the two-state solution will simply not come about.

I turn to the present situation. I have no doubt about Israel's right to pursue terrorists who carry out acts of violence against it, whether from Gaza or by Hezbollah from Lebanon. In the current context there can be no doubt that the action of Hezbollah, which is an exclusively external terrorist organisation, was responsible for the beginning of this crisis and continues to light its fires. But Israel does not only have the right to pursue terrorists in order to protect its people. If a two-state solution is to be reached, Israelis must be confident that they will not find hostile states on their borders firing at will into Israel. Unless the Israeli Government of Ehud Olmert can show that withdrawal from the territories from which withdrawal must be made does not mean greater vulnerability, and that the terrorist challenge can be met, the two-state solution will be stillborn.

I do not question the action that Israel is taking against Hamas and Hezbollah. I do not gainsay Israel's right to take proportionate action. But I am concerned and dismayed by what appears, to me at least, to be disproportionate action in Lebanon. Given modern intelligence and military technology, it must be possible to pursue terrorists on a surgical basis, knowing where the terrorist problem is and then rooting it out. We had to do that in our time in our own terrorist context; we did not blast communities on the basis that there might be terrorists there. It is absolutely essential that we say to our friends in Israel, who, after all, have one of the most sophisticated intelligence services in the world, that they, of all people, should be able to deal with this terrorist problem without creating a wider problem for those around them.

Nor, in my view, is destroying Lebanon's infrastructure acceptable. Not only Lebanon but Israel and the rest of the world need a stable Lebanon in the future. A ruined, impotent and bankrupt Lebanon is not only a cause of despair to the people of Lebanon themselves; it becomes a danger to the region, and beyond. If what is happening now creates a failed state of Lebanon, it will be antagonistic to Israel and distrustful of its wider friends, who did not help it in its time of need. It will be a breeding ground for future anti-Israeli sentiment and for anti-American resentment, and it will, of necessity, be the ground from which the next generation of terrorists will be born.

That is why the onslaught on Lebanon must now cease. I am happy to see precision attacks on the terrorists continue and I wish them well, because the right exists to root out that terrorism. But I have to say that I doubt whether an international stability force is a workable suggestion. Stability forces in conflict zones do not have a great record throughout history and we, on our side, should be very careful about claiming to support such a force when our own forces are so stretched between Iraq and Afghanistan that it is highly unlikely that we could even take part in it ourselves. We must therefore concentrate on those areas where we can at least be constructive.

I want the level of violence to be decreased. I hope that we can persuade the Government of Israel that the time has come to scale down—

Mr. Newmark: I draw my right hon. and learned Friend's attention to the fact that since 12 July, 1,600 missiles have rained down on northern Israel—100 have done so in the past 24 hours alone—and that 1 million Israeli citizens are threatened. In addition to the UK and the US putting pressure on Israel, as he suggests, what pressure does he think could be put on Syria and Iran?

Mr. Ancram: I am grateful to my hon. Friend for asking that question, and I am just coming to the question of Syria. At the moment, it would be very difficult to persuade Iran to take a view different from the one that they are currently taking. But I have always believed that, through diplomatic pressure, Syria is open to changing the direction that it has been taking—wrongly, in my view—for so long. We can show the Syrians that there is a better future for them—if they change their ways and go down another path. That is something that the British Government should be doing.

The middle east is a vicious circle, and that circle will not be broken in the flames of war; it can be dismantled only by a return to dialogue and negotiation. We should help to facilitate that, using the vast number of contacts that we have in Israel, Palestine and the rest of that region to get the dialogue going again. Building bridges is what we should all be about now—not destroying bridges, as we have seen happening over the past few days.

Mr. James Arbuthnot (North-East Hampshire) (Con): Is not the problem that the attacks by Hamas in Gaza, and by Hezbollah in Lebanon, were intended precisely to disrupt that negotiation and dialogue?

Mr. Ancram: I totally agree with my right hon. Friend, and I say to him that we ourselves had experience of this in these lands. We can pursue the terrorists individually, accurately and surgically, rather than with the blunt weapons that are being used in the middle east region. That is what we should be doing, to make sure that the terrorists do not succeed in

[Mr. Ancram]

disrupting the negotiations and dialogue that my right hon. Friend and I believe are necessary.

Before I sit down—

Mr. Love: Will the right hon. and learned Gentleman give way?

Mr. Ancram: I shall give way once more.

Mr. Love: I thank the right hon. and learned Gentleman for giving way. Does he accept that the one issue that we still need to resolve is the outstanding dispute between Lebanon and Israel over the Shabba farms? Until we resolve that, relations will not improve to the extent that we want.

Mr. Ancram: Right across the region, there are an enormous number of detailed problems that have to be resolved. They can be resolved only by negotiation, and not by military action, and that is why I am so intent on trying to get back to a position—however long it takes—where we can begin using words rather than bullets to achieve our purpose.

I want to mention briefly two other areas of crisis that affect us and which deserve to be raised today, given that we are not going to be here in this House for three months. The first is Iraq. For the past six months, I have been calling for our troops to be brought home. I know that it will not make me especially popular in the House, but I do so again today. I am full of admiration for what they have achieved, in the most difficult circumstances, over the past three years, but the situation is deteriorating and I am no longer sure what we can achieve by staying on.

Sir Patrick Cormack (South Staffordshire) (Con) *rose*—

Mr. Ancram: I shall not give way, as I would not get extra time for doing so.

John Bercow (Buckingham) (Con): Splendidly unselfish!

Dr. Julian Lewis: Such candour!

Mr. Ancram: When I say that our troops should return from Iraq, I am told that we would leave chaos behind us. That is a real fear, but I am worried that the deterioration of the situation means that the same case might be made in a year's time, or three years' time. The present difficulties now demand that we rethink our role in Iraq, and I hope that our troops will be brought home.

I take a totally different view, however, about the equally difficult circumstances that obtain in Afghanistan. If we were to leave that country, we would leave not only chaos but the virtual certainty that a Taliban state would be restored. Such a state—once again and as its fundamentalist philosophy dictates—would allow itself to become a base for international Islamist terrorism. As we know, that would pose a direct threat to Britain, Europe, the US and all western nations.

I am concerned that we face very difficult circumstances in Afghanistan because our mission there is not clear enough and because the resources provided to it are not yet sufficient. I hope that the Government will consider very carefully over the summer what is needed to make sure that our mission there succeeds.

Our role in international affairs must not be based on romantic dreams of curing the world, nor on an unquestioning acceptance of US policy, but on realism and on what is in the British national interest. From what I have heard today, I cannot be certain that that is necessarily the Government's position. I hope that, over the summer, they will make sure that it is their position by the autumn.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. As a significant number of hon. Members are still seeking to catch my eye in this debate, in accordance with the order of the House of 26 October 2004 on shorter speeches, it has been decided that, between 5 o'clock and 5.30 pm, a time limit of three minutes will apply. I remind the House that, in the period of shorter speeches, no added time is allowed for interventions.

4.28 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Let us set aside the morality of the situation—the wanton slaughter of hundreds of innocent Lebanese and the destruction of their infrastructure, the havoc caused by the Israeli army in Gaza and the kidnapping of half of the Palestinian Government, the murder of innocent Israelis and the kidnapping of Israeli soldiers. Let us accept as a given that Hezbollah and Hamas are terrorist organisations, and that the Israeli Government are dominated by right-wing thugs—unfortunately now augmented by the former peacenik leader of the Labour party who is in charge of the attacks on Lebanon.

Let us look instead at the undeniable facts. This is Israel's fourth invasion of Lebanon, and none of the three previous invasions has been successful. The 1978 invasion was called Operation Peace in Galilee: is Galilee at peace today? The commander, Rafael Eitan, described the Litani Operation by saying, "We come, we kill, we go." It did not achieve its objective. In 1982 I was with Israeli troops after they had invaded Lebanon. It was the first time that I had ever seen Israeli soldiers who were scared of the enemy—and I have been with Israeli soldiers from 1967 onwards. That war caused Sharon's resignation and Begin's resignation. It did not work, and this war will not work either. Already, Israeli troops are taking serious casualties on the ground and their commanders are warning that they cannot go on in this way.

Israel's invasion of Lebanon is not simply immoral; it is futile. At the same time, Israel is facing an existential threat. A once-proud nation of pioneers and warriors who proclaimed that Jews would never again be confined in ghettos is now building an illegal wall behind which its people are cowering in a Jewish Israeli-made do-it-yourself ghetto. That is what is happening to Israel now.

Within a measurable period, Palestinians will outnumber Israelis. Unless there is a two-state solution, with two countries—one for the Palestinians—the Palestinians will be penned into Bantustans directly adjacent to affluent illegal Jewish settlements. As in South Africa, this will become unviable for the Israeli state and the whole future of Israel as a viable state will be thrown into doubt. The only way of saving Israel—do not let us talk about the Palestinian interests, although I have championed them for many years—is a two-state solution.

Hezbollah and Hamas set out to cause chaos. That is what they are about, and they are achieving it. The Israeli Government and the United States Government are obliging Hamas and Hezbollah in the way they are approaching the situation. They are playing with fire. If Syria and Iran are drawn into the conflict, global repercussions will burgeon out of control, with an incalculable economic impact for the whole of the western developed world far worse than the oil shock of 1973, which, among other things, brought down the Heath Government.

Remember what happened to Jimmy Carter. He was brought down by Iran as President of the United States. Remember, too, that western meddling in the middle east ends again and again in tears. We are just commemorating the 50th anniversary of the illegal invasion of Suez by Britain and France in collusion with Israel.

There is a story of a scorpion approaching a frog on the banks of the River Jordan. The scorpion says to the frog, "Will you give me a ride on your back across the river?" The frog says, "Don't be foolish, you will sting me and I will die." The scorpion says to the frog, "Don't you be foolish. If I sting you I will drown. That goes against all kinds of sense." So the frog says to the scorpion, "Get on my back." Half way across the river the scorpion stings the frog. The frog says, "What have you done? Now I will die and you will drown." The scorpion says, "This is the middle east." What we are seeing is futility on all sides in this conflict.

Those of us like me who have championed the state of Israel from before its foundation are filled with tears and shame at what an Israeli Government are doing to the Jewish people of Israel.

I have championed a Palestinian state since my first meetings with Yasser Arafat in Tunis. I agree with my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman) that Arafat made a profound error in rejecting the Barak offer at Camp David, but there is no point in repining. There is no point in saying that things should have been done differently. When I first visited Syria, I had a meeting with the vice-president in which he spent 40 minutes talking about the iniquities of the Zionists since the Balfour declaration. When he had finished, I said, "Yes, let's take all that for granted, but that was then. What about today and what about tomorrow?"

Our British Government have a role to play in trying to drill sense into the Israeli Government and in trying to explain to the Palestinian people that their best interests are not those championed by Hamas. But let us be clear: America invaded Iraq—so we are told—to bring democracy to the middle east, to get genuine elections. The Palestinians held a genuine election, so are we saying that the only acceptable genuine elections in the middle east are those whose result is acceptable to George W. Bush? If so, there will be few successful acceptable democratic elections in the middle east.

I am more pessimistic about this situation than I have been in more than 40 years of involvement in the middle east. I do not believe that it helps the Israelis to give them a free hand. The duty of my right hon. Friends in the British Government, whom I have constantly supported and will continue to support, is to make it clear to the Israelis and to the Palestinians that compromise is essential. That is what I told Arafat when I first met him and I said it to him again and again.

Letting the Israeli dogs of war loose on Lebanon will solve nothing. It will undermine the existence of the state of Israel, it will kill more and more Israelis and the poor Palestinians at the bottom will continue to suffer. I look to our Government to try to do something to help us out of that mess.

4.37 pm

Mr. Dai Davies (Blaenau Gwent) (Ind): Thank you, Mr. Deputy Speaker, for calling me to make my maiden speech in this important debate. I shall take up as little time as I possibly can, because many Members want to speak.

I want to put on record my sincere thanks to the Speaker's Office and all the House staff for their help and support over the past three weeks; their fairness and dedication is to be commended. I offer special thanks to the hon. Member for Wyre Forest (Dr. Taylor) for his support and friendship since I arrived in the House. I would apologise for the confusion caused by another David Davies entering the House, but we solved it amicably.

It is a great honour and privilege for me to represent the people of Blaenau Gwent at the highest level of politics, but it is also a humbling experience when I think about the hopes and expectations of my constituency for its future. I take this opportunity to pay my respects to my predecessor, Peter Law, a friend and a great political servant to Blaenau Gwent for more than 30 years. He followed the tradition in our area of producing people who were prepared to speak out for fairness and justice for all.

From the days of the Chartist riots, and through books such as "Rape of the Fair Country" and "The Citadel", it can be seen that the south Wales valleys have played a significant part in the present structure of British politics and the way in which our communities are represented. Blaenau Gwent has proven that we take the people who elect us for granted at our peril. We must respect and care for our communities at all times and ensure that at all levels of government we give value for money. Do we believe that at this moment in time the general public would support a move to use taxpayers' money to finance political elections?

We must never be afraid to talk and listen to the people we represent and to encourage them to take a full and active part in politics and the democratic representative process. We should not be considering ways to force people to vote. Instead, we should seek to find out why more and more people are becoming disillusioned with the political process. If we are honest

[Mr. Dai Davies]

with ourselves, we already know the answer. We must strengthen the citizenship agenda for schools to encourage more young people to talk about politics and learn the art of debate. Visits to this House would be an inspiration to them all.

The problems and social needs of my constituency are not unique and have been the same for some years. Employment, health, education and community safety are at the top of the list, as I am sure they are across many areas of the country. We are all here for the same reason: to improve the standard of living and life chances of the people we represent. I have been a shop steward all my working life, giving a voice to those who needed help and support, and that is the role that I will play for the people of Blaenau Gwent. I believe that, as long as I carry out my duty with honesty, integrity, openness and accountability, I will continue to have their support.

The south Wales valleys have played a significant part in the social and economic development of this country from the industrial revolution to the present day, and the people of Blaenau Gwent want to continue to play their part in developing a strong and vibrant economy for future generations. One of the greatest opportunities for my constituency is the development of an integrated tourist industry across Blaenau Gwent and neighbouring areas. I am sure that the significant numbers of visitors who came to our area during the by-election, increasing our tourist trade considerably, would agree that we have an industrial history and a medical history that is second to none, and some of the most beautiful valley countryside in Britain. I hope that all Members would support us in establishing an attraction that would bring visitors from all over the world and provide much-needed employment for our area.

This afternoon's debate on international affairs should take into account the role that our individual communities can play in this very important issue—primarily through education and the sharing of information. The involvement of our young people is important in considering international affairs. I had planned to make my maiden speech during the debate to establish a commissioner for older people in Wales, because over the past two months I have aged considerably and will probably have need of their help sooner rather than later. The intergenerational working in our communities is vital to any respect agenda. We are never too old or too young to learn from each other. Wales can lead the way with a commissioner for older people, working alongside the already appointed commissioner for young people. The investment in young people in terms of meaningful training and practical skills, as well as academic courses— perhaps with training involving a mixture of ages and of experience—is vital in creating real and lasting job opportunities and increased earning potential. We must ensure that areas of the country that receive European funding, and have a Community First process in place, maximise its potential for the benefit of our people.

The people of Blaenau Gwent have suffered the loss of coal and steel industries in recent years, but, as we have shown over the past two months, we are people who care for our community. We had no party machine, only individuals who wanted their voices heard and I would respectfully request that those who believe that our by-election result was just an insignificant protest should think again and heed the result—do not ignore it.

I will do everything that I can to deliver the hopes, wishes and aspirations of the people in my constituency by following my principles of socialism, trade unionism, co-operation and family and Christian values. To add to the debate this afternoon, there was a phrase used many years ago—jaw-jaw not war-war. From what we have heard today, that is the way forward. Thank you for this opportunity, Mr. Deputy Speaker, and I thank all hon. Members for their patience.

4.44 pm

Mr. Iain Wright (Hartlepool) (Lab): May I begin by paying tribute to the fine maiden speech made by the hon. Member for Blaenau Gwent (Mr. Davies)? I, too, came to the House via a contentious by-election. It is two years to the week since Peter Mandelson resigned the Hartlepool seat—my life has never been the same since. The hon. Gentleman made a fine and spirited maiden speech and I wish him well during his time in the House. I also wish to pay tribute to the balanced statements that were made to the House by my hon. Friend the Minister for the Middle East on Monday and by my right hon. Friend the Prime Minister on Tuesday, and to the balanced speeches made by my right hon. Friend the Foreign Secretary and the right hon. Member for Richmond, Yorks (Mr. Hague) in this debate.

The British Government are gravely concerned, as we all are, about the escalating crisis and the threat that it poses to the relationship between Israel and the Palestinians, to the wider middle east region and to British citizens in the region. The civilian casualties in Israel, Palestine and Lebanon are absolutely horrific. It is imperative that hostilities and violence from both sides end immediately to avoid the risk of losing further innocent lives.

The origins of the crisis are clear. The G8, following last week's summit in St. Petersburg, stated:

> "The immediate crisis results from efforts by extremist forces to destabilize the region and to frustrate the aspirations of the Palestinian, Israeli and Lebanese people for democracy and peace. In Gaza, elements of Hamas launched rocket attacks against Israeli territory and abducted an Israeli soldier. In Lebanon, Hizbollah, in violation of the Blue Line, attacked Israel from Lebanese territory and killed and captured Israeli soldiers, reversing the positive trends that began with the Syrian withdrawal in 2005, and undermining the democratically elected government of Prime Minister...Siniora...These extremist elements and those that support them cannot be allowed to plunge the Middle East into chaos and provoke a wider conflict. The extremists must immediately halt their attacks."

That analysis is also shared by Arab nations. Saudi Arabia, in particular, has used extraordinarily frank language to denounce the attacks. Its official news agency, SPA—the Saudi Press Agency—stated last week:

> "A distinction must be made between legitimate resistance and uncalculated adventures undertaken by elements inside"—

Lebanon—

"and those behind them without recourse to the legal authorities and consulting and coordinating with Arab nations...These elements should bear the responsibility for their irresponsible actions and they alone should end the crisis they have created."

It said that the terrorist elements

"are exposing Arab nations and their gains to grave dangers without these nations having a say in the matter".

The analysis and conclusions of the G8 and Saudi Arabia are absolutely correct. Since fighting began a matter of days ago, 1,600 Hezbollah rocket attacks have rained down on northern Israel. Some 29 Israelis have died in the past 10 days, including 15 civilians in rocket attacks. A million Israelis are permanently in bunkers and shelters, unable to work or go about their business. To be frank, it is surprising that the death count in Israel has not been a lot higher.

Richard Younger-Ross (Teignbridge) (LD): Will the hon. Gentleman balance his comments by accepting that 280 Lebanese have died, most of whom were civilian? The Israel defence forces have fired 654 artillery shells during this period and conducted 81 air strikes.

Mr. Wright: If the hon. Gentleman will be patient, I will come to the question of proportionality shortly.

Hezbollah fires rockets without specific targeting, regardless of whether they might hit civilians. Its aim is to kill as many people as possible. The delivery systems for the rockets are crude and largely inaccurate. I understand that a Hezbollah rocket actually hit Syria on Tuesday night, so ineffectual is the targeting capability.

Many people, including the hon. Member for Teignbridge (Richard Younger-Ross), have mentioned the need for proportionality in Israel's response to the terrorist attacks. I absolutely agree about the need for proportionality, but is Israel meant to wait until Hezbollah improves the guidance systems on the rockets so that the death toll becomes much higher? There is criticism that Israel is wiping out the infrastructure of Lebanon and I will expand on that later on, if I may.

Ann McKechin (Glasgow, North) (Lab): Does my hon. Friend agree that the attack on the Lebanese barracks that resulted in the death of 11 soldiers was disproportionate? Would that not justify the Lebanese Government defending themselves, if they saw fit, by attacking Israel?

Mr. Wright: I will come to attacks by Lebanon into Israel shortly. We should all recognise that Hezbollah is also trying to wreck Israel's infrastructure—it is just that the means of achieving that effectively have not yet been reached.

Not all the rockets that have been used are Katyushas, which have been the missiles of choice for Hezbollah in recent years. Katyushas generally have a range of 20 km. If they are fired from southern Lebanon, they are able to hit northern Israeli towns, albeit with somewhat little precision. However, the past few days have seen rockets fired deeper and deeper into Israel. Haifa, Israel's third-largest city, has come under intense fire, and it has suffered some of the worst attacks in the current crisis. On Sunday morning, for example, Syrian-produced Fajr missiles hit Haifa, killing eight maintenance workers at a train depot and injuring 53 others. This week, Israel claims to have destroyed an Iranian-made missile—the Zelzal—which has a range of about 200 km. Those are ominous developments. Terrorist groups, backed by neighbouring states that have pledged to obliterate Israel and wipe it off the face of the earth, appear to be close to having weapons that threaten the security of most of Israel, including Tel Aviv, its major financial centre.

I accept that Israel is bombing Lebanon, and let me make it clear that I want that to stop. However, the House must recognise that it would stop immediately if Hezbollah released the kidnapped soldiers and stopped the rocket attacks. That must be recognised in any discussion about proportionality.

Mr. Love: Will my hon. Friend give way?

Mr. Wright: I hope that my hon. Friend will forgive me, but I want to press on, as I know that other hon. Members want to speak.

It has been a fast-moving and dramatic year. There have been genuine prospects for peace in the middle east since the Israeli elections; indeed, I secured an Adjournment debate on that subject a few weeks ago. Despite the election of Hamas, there were encouraging signs that a two-state solution was moving closer. Mahmoud Abbas remained as Palestinian President and attempted to implement a civilising and moderate policy for the Palestinians. At the end of May, for example, he proposed an 18-point peace plan based on positions agreed by Palestinians in Israeli jails. That plan implicitly recognised Israel and supported the establishment of a Palestinian state in territory occupied by Israel in 1967. Abbas was prepared to put that 18-point plan to the Palestinian people in a referendum, and Hamas signed it at the end of May.

Let us be clear that the document is not a miraculous panacea for either side. Although there is implicit recognition of Israel, it is arguably so implicit as to be almost imperceptible. That point was stressed by two of the signatories, Abdel Kheleq Natsche from Hamas, and Bassam al-Sa'adi from Islamic Jihad, who declared:

"We scorn the attempts to attach non-existent content to the document and therefore we emphasise that it does not contain any declaration or hint of recognition of the occupation state and does not contain any call for this".

In other ways, the document falls short of what the UK and other members of the international community want—an end to terrorism and a commitment to honouring existing international agreements. Although it is far from perfect, in terms of perception it represents a significant and symbolic move towards an acceptance, albeit implicit rather than explicit, of a peaceful two-state solution based on bilateral negotiation and future co-operation.

Barbara Keeley (Worsley) (Lab): Will my hon. Friend give way?

Mr. Wright: I hope that my hon. Friend will forgive me, but I want to press on.

[Mr. Iain Wright]

In a meeting in the House only last month, the Israeli Prime Minister told hon. Members that he would pursue diplomatic negotiations and aimed to begin negotiation with President Abbas before embarking on his plans for withdrawal from the west bank. From a wider perspective, in April this year President Bush welcomed Prime Minister Siniora to the White House and proclaimed that Lebanon

> "can serve as a great example of what is possible in the broader Middle East".

Those small steps towards peace and wider regional stability and prosperity were not in the interests of terrorist organisations, which thrive on chaos and fear. Their power derives from derailing negotiations and causing turbulence and violence.

I have no doubt that Hezbollah kidnapped the Israeli soldier in a deliberate attempt to stop any progress in the peace process, and to escalate violence and so increase and consolidate its power. In so doing, it has taken the world's attention away from Iran's attempts to secure nuclear weapons—a prospect that would have immensely harmful repercussions for the stability of the wider regional and global theatres. We cannot conclude that Iran directly ordered the attacks and kidnappings against Israeli targets—that would be a crude assessment—but there is a strong and co-ordinated web of influence between Iran, Syria and Hezbollah, and that relationship has been nurtured over the past few decades.

Hezbollah was created by the Iranians during the Iran-Iraq war, and since then it has received training and weaponry and technical expertise from Tehran. Iran is Hezbollah's main sponsor, donating an average of $100 million to $200 million a year. As was said earlier, Hezbollah has deliberately entwined itself into civilian life in Lebanon. As my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman) pointed out, missiles and military equipment are stored in densely populated areas.

That is the context of the current crisis. Israel has a wish—a legitimate one, in my opinion—to try to destroy Hezbollah's military capability to minimise the risks to its citizens and to mitigate, as much as possible, the existential threat to itself. Israel also has a right, which I do not think anybody in the House or elsewhere could dispute, to defend its borders. However, that task is made immeasurably more difficult by the deliberate intention of Hezbollah to intertwine its military capability into civilian life in Lebanon. This tactic is cowardly, but I urge restraint on Israel.

The loss of life, the injury and the impact upon the basic humanitarian situation in Lebanon have been truly horrendous. Israel must show restraint and try to ensure that its legitimate aim of destroying the military wing of Hezbollah does not coincide with or cause the destruction of the infrastructure of normal Lebanese life. Such a move would help breed even more of a culture of hatred and disaffection in the region, and would result in the evaporation of support from actors such as the G8 and Saudi Arabia.

Diplomatic pressure for a ceasefire and thereafter a negotiated two-state structure are the only solutions, both in the short term and taking a longer perspective. I fully support the Government in their stance on the matter and their ability to try and get all parties to the negotiating table, but I accept that influence on Hezbollah is limited. The world must be firm that any of those short green shoots of peace which we have seen in recent months in the region are not trampled upon and destroyed for ever by extremist and aggressive states and terrorist organisations.

4.56 pm

Mr. James Arbuthnot (North-East Hampshire) (Con): I shall do my best to keep to three minutes. I entirely agree with what the hon. Member for Hartlepool (Mr. Wright) said and I do not wish to repeat it. I thought it was a fine speech.

I declare my interest. I am the chairman of the Conservative Friends of Israel. This will not be a balanced speech because I do not think I should take the time to balance it as I would otherwise like. When hostages are taken and still held, I find it difficult to be balanced. The Foreign Secretary was absolutely right in saying that the crisis could be brought speedily to an end by the hostages being released and by the firing of the rockets being stopped.

I shall make four points. First, some people say that the occupation by the Israelis is the problem. Well, if that were the case, when Israel withdrew from Gaza they could have expected some benefit from it, but instead what they got was a rain of rockets coming out of Gaza. That withdrawal from Gaza was heavily objected to by many people in Israel, and now the reaction in Israel by the opponents of withdrawal from Gaza is, "Look, we were right. We should never have withdrawn from Gaza in the first place." We do not want to send the wrong message to Israel by allowing rockets to continue to rain down on Israel from the areas that it releases.

Secondly, people are calling on Israel to be proportionate and restrained. Yes, of course it must be proportionate and restrained, but what do we expect the Israelis to do? Do we expect them to leave open the route to restock Hezbollah's rockets? Do we expect them to negotiate with kidnappers and thus to create more kidnappers? Do we expect them to let out of jail the people who have been murdering their neighbours? We call on Israel to show restraint, of course, but Israel over many years has been showing restraint in the face of those rockets. A couple of weeks ago I was in Kandahar and had to spend two hours in a concrete air raid shelter because of the fear of rockets coming in from the Taliban. To be honest, it turned out to be almost a bit of a game. But in Israel it is happening night after night, and the Israelis could see that going on time after time and never stopping.

Thirdly, the Iranians are talking about their nuclear weapons. We cannot just ignore what the Iranian President says about wanting to wipe Israel off the face of the map. We cannot pretend from our western perspective that he never said it or that he was joking. I believe that he meant it. The way that he is working, through Syria and the Lebanese Hezbollah, is something of which we need to be very scared.

My final point echoes a comment by the hon. Member for Berwickshire, Roxburgh and Selkirk

(Mr. Moore). It is worrying that 80 per cent. of Palestinians are living below the poverty line. In the long term, the only solution to the problem is dramatically to regenerate the economies of Palestine and Lebanon. One can of course argue that that will not be achieved by destroying all the infrastructure. Equally, however, it will not be achieved if the security situation there is such that they are free to launch rockets and to intimidate Israel, their democratic, rule-of-law neighbour.

I will not have changed many minds, but at least I have been brief.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The three-minute limit will apply to the next 10 speeches.

5 pm

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I, too, will not be balanced because of the limited time available.

I absolutely accept that the Foreign Secretary and the Prime Minister are acting in good faith. I am sorry that the Foreign Secretary cannot be here to hear that. However, I profoundly disagree with their judgment on this issue. I do not feel that the Prime Minister's responses to questions yesterday and following the G8 summit demonstrated an even-handed approach, and many of my constituents have contacted me to say the same. That particularly applies to the issue of proportionality by the Israelis. It is meaningless for the Government to keep saying that they call on the Israelis to exercise restraint and ask them to be proportionate and to act within international law, but then fail pointedly to answer the question of whether they think that the current action is proportionate or within international law.

The blitzkrieg—there is no other way of describing it—that has been unleashed on Lebanon beggars belief. Merely talking about numbers of missiles on either side does not get across the inequity of the situation. Israel is the fourth largest military power in the world. Its missiles and weapons are of a different order of magnitude to the weapons ranged against it. That is not to excuse the people attacking the Israelis; I decry those attacks too. However, it is out of all proportion to launch that indiscriminate blitzkrieg on Lebanon against civilian targets, which has already resulted in 359 deaths, including 294 civilians, of whom a third were children. Some 1,000 people have been wounded and 500,000 displaced. Now that the foreign civilians have been evacuated, there is a fear that the bombing will increase still further. The Israeli defence force said today that it believes that it has got rid of half of Hezbollah's military capability. Does that mean that there are to be another 359 deaths and another 500,000 displaced before it has achieved its aims and stops what it is doing?

If the Government are to have credibility, they must be seen to be even-handed and to uphold international law and say that the Israeli action is disproportionate. Many people in Israel are prepared to say that their Government are acting disproportionately, so why will not this Government do so?

I should like to draw attention to the action in Palestine, where Gaza is under siege. The whole civilian population—

Mr. Deputy Speaker: Order. I call Mr. John Bercow.

5.3 pm

John Bercow (Buckingham) (Con): It is a pleasure to follow the hon. Member for Milton Keynes, South-West (Dr. Starkey). I endorse the gracious tribute that the hon. Member for Hartlepool (Mr. Wright) paid to the newly elected hon. Member for Blaenau Gwent (Mr. Davies), who made a passionate, decent and admirable speech of which he should be proud.

Of course, there is terrible violence and an enormous crisis in the middle east, and that is the immediate pretext for today's debate. However, there are other crises elsewhere, and I would like to focus briefly on a couple of them.

First, there is the running sore and international shame of what continues to take place in Darfur. So far, more than a third of a million people have lost their lives and 2 million people have been displaced—250,000 have been displaced in 2006 alone. The crisis has erupted over the border into Chad. Foot-stamping by the Sudanese Government has already prevented a vital deployment of troops by the United Nations to Darfur. It cannot be allowed, through procrastination, delay and objection, to prevent that necessary deployment again. I appeal to the Minister for the Middle East to advise the House today of what the Government are doing in response to the cri de coeur from the African Union, the aid agencies and others to press the matter, bring it before the United Nations Security Council and try to ensure that, sooner rather than later, there is a vote.

Secondly, there is the long-running crisis—the slow-burn genocide, as I would characterise it—in Burma. Early-day motion 902 has attracted the signatures of 312 hon. Members who are united in calling for United Nations Security Council action. We need a resolution. We have support from European states and we enjoy the backing of the United States. We need the British Government and others to exert diplomatic muscle to exhort African states such as Ghana, Tanzania and Congo-Brazzaville to secure support for a discussion, with the consequence—I hope—of a resolution, binding or otherwise, to try to insist that the regime, which has an appalling human rights record, is brought to book.

Those two important crises need to be tackled. There are many others but the United Nations must now decide what it is to be in future: a vehicle for necessary change in the world or simply an instrument of passive acceptance of an unsatisfactory status quo. Let it be the former, not the latter.

5.6 pm

Richard Burden (Birmingham, Northfield) (Lab): When one becomes involved in issues such as those in the middle east and develops friendships there, it is easy to see the suffering of only one side. It is easy to rationalise the indefensible and dehumanise the other side. I hope that being aware of that will stop me ever rationalising or excusing rocket attacks, or saying that

[Richard Burden]

they are okay if they are provoked or—to use that ever-so-polite word—"proportionate". If I apply those sentiments to rocket attacks—I do without qualification—I also say that, when air strikes kill 300 people and displace 500,000, when 100 Palestinians have been killed in Gaza in the past few weeks and when water and electricity supplies are cut to homes and hospitals in one of the poorest and most densely populated places on earth, people should not rationalise that or say that, somehow, it is okay.

I never thought that Ministers in the Government whom I support, who rightly prefix everything that they say with a demand for an immediate and unconditional end to rocket attacks, would find it so difficult to call for an immediate ceasefire by both sides. I say to my hon. Friend the Minister for the Middle East that, unless the Government change their description of events, their credibility in the outside world will take a knock and the charge of double standards will have considerable force.

The Prime Minister told us that we needed to examine the underlying causes and I agree with that. There is no time to consider most of them, so I shall mention only a couple. The Prime Minister singled out the kidnappings of Corporal Shalit in Gaza in a raid on 25 June and two soldiers in Lebanon on 12 July. He said that we must call for their immediate and unconditional release and I agree. However, if we say that, what about the families of the 741 Palestinian prisoners whom Israeli troops abducted and who are still held without trial in Israeli jails? Corporal Shalit is 19 years old; 282 of Palestinian prisoners are under 18. What do we say to Palestinians when the unjustifiable capture of one Israeli causes an international incident but that of Palestinians does not? Can we honestly say that there is no connection between that and the sense of hopelessness that breeds terrorism? There is a connection, and we ignore it at our peril.

5.9 pm

Richard Younger-Ross (Teignbridge) (LD): I should like to repeat the call for another urgent debate on international affairs. The hon. Member for Buckingham (John Bercow) mentioned two other international issues, but there are also problems in Tibet, North Korea, Nigeria, the Caribbean and other places, and we need time to debate those issues as well as returning to the incidents in the middle east.

I shall concentrate my brief comments today on the middle east. We all feel resentment when we are slighted. There are Back Benchers here who were once Ministers and who are still seething that they no longer hold that position. That anger can last for years and sometimes blight their lives. But what resentment must people feel when they see their land cut off by a wall so that they can no longer get to their stock? What resentment must people feel when they see their shops and premises destroyed by shellfire? What resentment must people feel as they stand and watch bulldozers moving over their homes? And what resentment must someone feel when the child in their arms dies as a result of an attack? To balance that, what resentment must an emergency worker in Israel feel when they have to clear up the wreckage and carnage caused by a suicide bomber on a bus?

I do not expect a country to react to such circumstances in an emotional way. I expect a rational response. The right hon. and learned Member for Devizes (Mr. Ancram) was right to say that we in the House are friends of both Palestine and Israel. It is the duty of friends to say, "Hold on. We understand your anger. What is happening to you is wrong, but your response has to achieve an end. You have invaded Lebanon before, and it has not worked. Your reaction now might bring temporary respite, but it will make things worse in the long run. You are destroying the bridges and infrastructure that were improving the quality of people's lives and bringing economic success to the country, which would have done a lot to ameliorate that anger and resentment." I urge everyone to say clearly to Israel, "Cease. Stop. Pull back from what you are doing. Use surgical attacks if necessary; we understand that you have a right to self-defence. But what you are doing now is not going to help you in the long term."

5.12 pm

Ann McKechin (Glasgow, North) (Lab): I shall restrict my remarks to the humanitarian consequences of the conflict. As many speakers have mentioned today, more than a third of the victims are children. They are the voiceless ones in this tragedy, and I hope that we will all remember them in our considerations.

I totally condemn the actions of Hezbollah, but all sovereign Governments have a duty to minimise the risk to civilians and the damage to civilian infrastructure. The United Nations human rights spokesperson, and its humanitarian co-ordinator, Jan Egeland, have both referred to the tragedy that will soon emerge as a result of people being trapped in their homes and cities, which they are not allowed to leave. Their water and electricity supplies are being cut off, and they face an utterly horrific humanitarian disaster.

The international community needs to re-examine its role in this dispute. We were scheduled to discuss the Department for International Development White Paper today, some of which is relevant to our debate. It reminds us that all 191 United Nations member states

> "endorsed for the first time the groundbreaking principle of a 'responsibility to protect'. They agreed that while individual governments are responsible for the protection of their own people, the international community would no longer tolerate inaction by national governments in the face of genocide, war crimes, ethnic cleansing and crimes against humanity within their borders."

If we truly want to live up to those principles, we have a duty to make it clear and transparent when any party to this dispute has acted disproportionately, and to call for an immediate ceasefire. There have been reports of a week's delay until someone does something, but that is not the way to live up to our responsibilities. More than ever, we need to be seen to be an objective party in relation to the dispute. We need to make the civilian populations our first priority. More than ever, we need to show our real support for the moderate voices on all sides of the dispute, whether they are in Israel, Lebanon or the Palestinian community.

5.15 pm

Sir Patrick Cormack (South Staffordshire) (Con): I want to make three brief points.

First, everyone has talked about the calm and measured speeches from those on the Front Benches, and I endorse that. However, on Monday, the Minister who will respond to the debate made an excellent appearance in the House, and I put it to him that it would be a good idea if the ambassadors of Syria, Iran and, indeed, Israel, were summoned to the Foreign Office, so that that calm, measured language could be conveyed to them, and they could be told how the Government felt about these matters. He responded disarmingly and frankly to say that he had not really thought of that, but that it was a good idea. I would like to know whether that idea has been put into practice. It is a time-honoured practice that, when a country seeks to exert influence, and when other countries behave in a less than entirely admirable way, their ambassadors are summoned. I think that that would be good in this instance.

Secondly, I entirely endorse what has been said on both sides of the House about the actions of the Syrian and Iranian Governments, which are utterly indefensible. No one in the House can begin to condone terrorism. On the other hand, at the moment, Israel needs friends who are, above all, candid. It needs people who will say, "Of course we believe absolutely in your right to exist. Of course we are totally dedicated and committed to that. But it is possible that in your response, disproportionate as I believe that it is in some respects, you are actually making your own position much more difficult." In that sense, the hon. Member for Teignbridge (Richard Younger-Ross) made an eloquent speech, and I endorse what he said. I hope that the Government will talk to Israeli Ministers in that regard.

Thirdly, the people who are rubbing their hands at the moment are those who support terrorism, in Iraq, Afghanistan and wherever it is practised. The people who are delighted at the disproportionate response of Israel are the terrorists—the terrorists in Iraq and Afghanistan, and the terrorists who are raining rockets on Israel and who precipitated this crisis by seizing that soldier a few weeks ago. The House cannot, because of our commitments over the last few years, fail to recognise that fact. That is why I so disagree with my right hon. and learned Friend the Member for Devizes (Mr. Ancram), who calls for a withdrawal from Iraq. At the moment, that would send out all the worst signals, whatever one may think of the background.

In the remaining seconds available to me, I appeal to the Minister to respond to my points, and to do everything possible—

Mr. Deputy Speaker: Order.

5.18 pm

Emily Thornberry (Islington, South and Finsbury) (Lab): I begin by saying that I speak as a friend of Israel and a friend to the Palestinians. There are many things that I would like to say, but I will restrict myself to one set of comments.

The crisis in the middle east is a tremendous challenge to the international community, and I fear that we will not rise to it. We have not risen to it up to now. We have allowed a situation to continue to develop in the middle east that generates a huge amount of trouble, not only for those in the middle east but for those in the streets of London, those who travel on the buses in London and those who travel on the tube—my constituents. We need to be able to resolve the issue of the middle east because it continues to a generate a feeling of enormous resentment and of justification for the sort of terrorism that we are now suffering across the world.

If we cannot, as an international community, develop international organisations that can resolve such situations, where are we heading? How can we just stand on the sidelines and say, "The neo-cons are dominating American foreign policy, and therefore we have to behave as though we have been cut off at the knees, and we can do nothing about it,"? How can it be that so little is done about the continuing open sore that is Palestine at the moment? How can the Israelis be allowed to build walls on Palestinian land and the road map be allowed simply to drift? How can that be? Now we see the bombing that is taking place across the middle east and the terrible suffering of civilians, and we seem to be able to do nothing.

We must do something. We must rise to the challenge. We must work together as a whole community, because the world is small and getting smaller. It is our duty to play our part and to be brave, to speak to our friends and to ensure that we behave responsibly.

5.19 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): I shall make five points in three minutes, if I can manage that.

First, I think that the Foreign Secretary was very wise to resist pressure to say whether she considered Israel's response to be proportionate or disproportionate. I am sorry that others were not quite so statesmanlike. It is extraordinarily difficult to say what is a proportionate and what is a disproportionate response in such circumstances. Is it proportionate not to take out stores of missiles because Hezbollah chooses to locate them in populated areas? That is scandalous in itself, and is of course the responsibility of the Government of Lebanon, although no one has wanted to say that in the House today. The Government of Lebanon have simply acquiesced in the state of affairs for a very long time. They have made no attempt to enforce Security Council resolution 1559, and I am afraid that a great deal of responsibility now lies on their shoulders.

Secondly, there is no doubt in the House and in the world about who is responsible for this. The middle east has been pretty calm for the past couple of years, and certainly during the past few months. There can be no doubt that it was an entirely gratuitous and deliberate decision by Hamas and Hezbollah—perhaps acting in concert, perhaps not—to attack Israeli soldiers, and to capture some Israeli soldiers and hold them hostage, that started the crisis. We do not do a service to the facts, and we certainly do not do a service to peace, if we do not recognise that, and if we try to put the attacker and the attacked and the innocent and the guilty on the same footing.

Thirdly, many people are now saying that because there is great conflict and loss of life on all sides, the

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answer is for the international community to put pressure on the parties. That is understandable, but it has not been thought through properly. It is not possible to put pressure on Hezbollah or Hamas. It is not even possible to put pressure on their supporters, Syria and Iran. If we could put pressure on Iran we could solve the nuclear weapons problem, but we all know that we cannot do that. Putting pressure on the parties basically means putting pressure on Israel.

What a perverse and absurd situation that would be. What a terrible, dangerous message to send around the world, and the middle east in particular: that if a country launches rocket attacks on Israel or attack Israeli soldiers, the international community will put pressure not on that country but on Israel. That really would be extremely perverse and extremely dangerous, and we should not do it.

Fourthly, Israel must learn the lessons of its mistakes. In no circumstances should it carry out a prisoner exchange. It is, to some extent, paying a terrible price for having done that in the past.

My final point is that the only solution is an international force. That is the only alternative to an indefinite buffer zone in southern Lebanon—

Mr. Deputy Speaker: Order. The hon. Gentleman's time is up.

5.23 pm

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): The events of recent weeks are part of an ongoing tragedy for all peoples of the middle east. Israel has suffered an unprovoked attack on its cities from Hezbollah in Lebanon after withdrawing from Lebanon, which is in contravention of international agreements and assurances given through the United Nations at the time. Similarly, since Israel withdrew from Gaza its cities have been subject to shelling from Gaza.

Israel is entitled to defend itself, and it is rational for Israel, when subject to shelling and rocket attacks from Lebanon, to go to the source of that shelling and the source of those rockets. It is the responsibility of Hezbollah and the Lebanese that they have, disgracefully, put so many civilians in the line of fire, and that is absolutely to be deplored.

It is important for the nature of Hezbollah to be recognised. Hezbollah is just one of the rejectionist terrorist organisations that are determined to prevent there ever being peace between the Israeli and the Palestinians. It is linked with Iran, which has described Israel as a cancerous tumour that should be removed. It is a terrorist organisation. It murdered more than 200 people in the Argentinian Jewish Centre in 1992. It was implicated with Yasser Arafat in bringing arms to the Palestinian Authority in violation of the Oslo agreement in 2002. It murdered Israeli civilians at the Matsuba kibbutz in 2002.

What is the solution? The immediate solution is a ceasefire, yes, but it must include securing Israel's northern border so that its civilians are not subject to indiscriminate attacks, financed and supplied by Iran and issued through Hezbollah. The long-term solution must be a return to the road map, a negotiated agreement on a two-state solution of a Palestine and Israel based on the 1967 boundaries and with Jerusalem shared between those two states. Current events make that even more difficult to obtain and I hope that our Government will, through their diplomacy and negotiations, help to bring that situation about.

5.25 pm

Mr. Crispin Blunt (Reigate) (Con): I welcome the statements made by my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) and the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore), who both made it clear that they believed that Israel's response was not proportionate. As to what the hon. Member for Liverpool, Riverside (Mrs. Ellman) said, we would have been much better off if Israel had exercised restraint. Indeed, Israel itself would have been a great deal better off. We have been down this road before, in 1982, and Hezbollah grew and sustained its strength out of the consequences of the Israeli invasion of Lebanon that year. The consequences of the present invasion of Lebanon will be far more damaging to the Government of Lebanon than to Hezbollah, which is not in the best interests of all.

In the very few moments available, I want to reflect on the dangerous overlap with our policy towards Iran—a source of considerable danger for the liberal west, as its values are so different. The situation is somewhat analogous to that of the Soviet Union, which was also a powerful force that was very different from us ideologically. My proposal is that we need to understand the country a little better and try to develop contacts with it, as I am attempting to do myself. However, Israel continues to accept the appalling injustice that has been meted out historically to the Palestinians and does not appear to be pursuing a policy that recognises that injustice. Until the Palestinians start to feel that Israel has a made, at the very least, a serious attempt to address it and to find a two-state solution, all these issues are going to get horribly mixed up—and with all the consequences for the strategic position of ourselves and our allies.

We have been quite close to a two-state established solution. The Geneva accord was negotiated between Palestinians and Israelis of good will. The negotiations at Taba and then at Camp David came close. I would reject the interpretation that the Palestinians missed an important opportunity, as they could not realistically have accepted what was on offer. What the Government of Israel and the Israelis need to understand is that until the Palestinian issue is addressed, Israel will never have peace. Until that is done, we are going to get into these horrible complications of living in a world split between Islamic and our own ideologies, in which the state of Israel is going to be a horrible—

Mr. Deputy Speaker: Order. The letter of the three-minute limit expires at this point, but perhaps its spirit could survive for a few more minutes.

5.28 pm

Barbara Keeley (Worsley) (Lab): I want to focus my comments on the impact of the conflict on Israeli, Lebanese and Palestinian civilians, particularly women and children, and the need for the international community to work to bring an end to the fighting and return to negotiations.

As we see, the media show us harrowing pictures from both sides of the conflict every day. Last night, two Israeli children, who were brothers, were killed after Hezbollah's Katyusha rockets hit the Arab-Israeli town of Nazareth. We know that more than 200 people, many of them civilians, have been killed in Lebanon. That reality is echoed in the calls of the International Women's Commission for a Just and Sustainable Peace between Palestine and Israel. The IWC is an international body of Palestinian, Israeli and international women, established in 2005 under the auspices of the United Nations Development Fund for Women. At a recent emergency meeting, IWC members requested the Quartet to intervene to stop fighting and expressed their deep concern at the current crisis in Israel, Palestine and Lebanon, which they see as threatening the region as a whole. They called for an immediate return to the political process, led by the international community.

Groupings of women in the middle east have for many years kept the discussions going across the political divide as continued dialogue is the only way to return to the political process. Before coming to the Chamber today, I spoke to two representatives from the IWC in a conference call. They were Professor Galia Golan, an Israeli member, and Miss Samia Bamia, a Palestinian member. I shall give the House a brief account of some of their thoughts and suggestions on the situation.

The two representatives felt that the public internationally are ignoring the war in Gaza, but there is still a large toll of civilian deaths in that conflict. The Israeli representative said that while there was public support in Israel for the action described by the military as weakening Hezbollah, that support is lessening as the conflict deepens. Among women, there is a growing feeling that the response is not commensurate with the incursions that cause the military action. Both the women stressed the need for the international community to intervene to achieve a negotiated withdrawal, a ceasefire and an exchange of prisoners, and they are looking to the Quartet to assist that return to negotiations.

The Israeli representative, Professor Galia Golan, also spoke about stopping the boycott of funds to the Palestinian Government. While she had little sympathy for Hamas, she felt that it was wrong to ignore the levels of hardship caused by the boycott and that it was now starting to weaken the voice of moderates. Both representatives repeatedly stressed the importance of the need for intervention by the UK, the Quartet and the international community. In fact, from Palestine, Samia Bamia said that there was anger growing at the feeling that the international community was watching, but not acting to help a return to the political process.

Both representatives highlighted the fact that women's voices need to be heard. The Israeli representative repeatedly said that there was a gender divide in public opinion. Although women felt that it was terrible to be bombed, they felt that the conflict had to stop.

The IWC wants to continue a dialogue and to build understanding, even in these difficult times. We also discuss what is needed if a ceasefire can be brought about. It was felt that UNIFIL had lost trust and was no help in protecting the border. It would be helpful, in terms of responding to the people who took part in the conference call, if my hon. Friend the Minister could tell the House anything more about the proposals for that force when he responds to the debate.

I also hope that the Minister will be able to find a way to support the work of the IWC for a just and sustainable Palestinian and Israeli peace. As I have said, women have played a vital role in conflict resolution and peace building in other conflicts. We should not ignore their role, but support their efforts as they work across the divide and urge both sides to cease fire and return to negotiation.

5.32 pm

Dr. Julian Lewis (New Forest, East) (Con): As I am morally bound to speak for just three minutes—and I shall do so—I shall make only two points. The first is to agree with my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) when he said that various people will be rubbing their hands with glee at the developments that have taken place. In particular, the strategists in Tehran will be doing so, because Hezbollah would not have initiated this cycle of violence and counter-action without orders and permission from Iran. We have to ask why Iran would want to give that permission. The answer is obvious when we look at the proportion of time spent in this very debate on the issue of the confrontation between Israel and Lebanon, compared with the time spent on the Iranian quest for nuclear weapons. This development is assisting Iran in its quest to become a nuclear power, and we should draw appropriate lessons from that.

I thought today that, for the first time in nine years in this House, I would agree with something said by the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), when he told the story of the frog and the scorpion and how they both drowned because the scorpion stings the frog in mid-river, despite not being able to swim. However, for some reason, the right hon. Gentleman chose to change the ending. The ending actually is that as they are both drowning, the scorpion admits to the frog that it knew that it would also die, but it could not help stinging because that is in its nature.

What is the nature of some of the groups that are operating in the conflict today? We owe a debt to my hon. Friend the Member for Surrey Heath (Michael Gove), who has just published a new book, "Celsius 7/7", which traces some of the ideological roots of Islamism. He quotes one of its founding fathers as saying, when talking about the ideal Islamist state, that

> "a state of this sort cannot evidently restrict the scope of its activities...It seeks to mould every aspect of life and activity in consonance with its moral norms and programmes of social reform. In such a state, no one can regard any field of his affairs

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> as personal and private. Considered from this perspective the Islamic State bears a kind of resemblance to the Fascist and Communist states."

What we are dealing with in Hamas and Hezbollah are totalitarian movements. This House can prate all it likes about immediate ceasefires and two-state solutions, but as long as there are actors on the scene who do not wish for anything else but to create a new holocaust as they deny the last one, those solutions will not suffice.

5.36 pm

Stewart Hosie (Dundee, East) (SNP): I wish briefly to take the Minister for the Middle East back to the subject of the preparations for the evacuation. I asked him earlier this week whether the Royal Navy would evacuate not only those who are United Kingdom passport holders, but their dependents who might not be. He gave a clear answer, but I ask him that question again because a news broadcast of last night had a caption saying that "UK passport holders" had been asked to assemble. Can he look into this as a matter of urgency, in case a slightly incorrect message is going out?

We all view with great concern what is going in Lebanon, and in particular the potential for the collapse of democracy there and the very real possibility of a new civil war. That alone should be an encouragement to us all to support the creation of a United Nations intervention force with, as the right hon. Member for Richmond, Yorks (Mr. Hague) said, a very strong mandate indeed. We cannot expect a fragile Government in the fragile democracy of Lebanon to disband or disarm Hezbollah on their own. That would certainly lead to civil war, and I suspect that the last thing Israel needs is another failed state on its northern border.

The hon. Member for Milton Keynes, South-West (Dr. Starkey) talked about the perception that we were not being even-handed. Some of the comments coming out of the west have not been even-handed, but we must be so. That means that when we call for the kidnapped soldiers to be released immediately and for the missile strikes to stop immediately, we must also call for the Israeli shelling to stop and for the collective punishment of those in Gaza and Lebanon, who might not be Hamas voters or Hezbollah fighters, to cease at the same time. For that to happen, the immediate fighting must come to an end, and I find it extraordinary that the UK Government have thus far equivocated, even on calling for an immediate ceasefire to effect those ends.

As we all know, the ongoing suffering of the Palestinian people is an open sore. It continues to radicalise people and to act as a recruiting sergeant throughout the Muslim world and the middle east. Therefore, we must deliver the long-term solution—the two-state solution of Palestine and Israel. We must return to the road map.

The UK has a massive role to play in that. As a permanent member of the United Nations Security Council, a G8 member and a large state within the European Union, it has a great deal of weight that it can use. However, at the moment I fear—not least because of unguarded comments in the press earlier this week—that in many parts of the world the UK is seen as a client of the USA, and that must cease. There must be a coherent and robust position to bring all sides around the negotiating table and demand an immediate ceasefire; that must happen as quickly as possible.

5.38 pm

Mr. Keith Simpson (Mid-Norfolk) (Con): This debate was called for by a number of hon. Members and hon. Friends, not least those of us who are regular attendees of middle east debates in Westminster Hall. I know that the Government were nervous about holding this debate—and, as a former Whip, I can imagine that it was constrained in its time as much as possible. However, the Government should not have been worried about it. This debate has proved that Members can argue very strongly and passionately about an issue that is very important. In the words of the Foreign Secretary, the current crisis is perhaps one of the greatest in the middle east that we have had to face. I urge Ministers to bear in mind Members' calls for another statement or debate on this important subject, and to provide one perhaps next week.

Many Members have spoken, some of them under the enormous constraint of having only three minutes, and I shall not attempt to fill up my 10 minutes by reading out a list of names and making a few brief comments; instead, I shall pick out a few speeches.

The hon. Member for Blaenau Gwent (Mr. Davies) made his maiden speech in the middle of this important debate, and I congratulate him on it. My hon. Friend the Member for Buckingham (John Bercow), who rightly pointed out that this debate is on not the middle east but international affairs, spoke with passion—and within the allotted time—on the very important subjects of Darfur and Burma. I note that he has tabled a question on Burma for next week's Foreign Affairs Question Time.

The Foreign Secretary spoke with a degree of caution, given the minefield through which she is attempting to steer Government policy, and the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) spoke with great reasonableness. But as you might expect me to say, Mr. Deputy Speaker, my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) spoke very well indeed—I say that not because he happens to lead for the Conservatives on foreign affairs—across a wide waterfront about middle east issues. Importantly, he talked about what needs to be done.

Members in all parts of the House, whatever position they adopted on the middle east, agreed that this conflict has the potential not only to be highly local, with an immediate impact on people living in Israel, Gaza and Lebanon, but to draw in other countries as well, and to be a nightmare scenario for all of us.

So the real question that we face is, can Britain actually make a difference in this crisis? Here, I want to make a few points, some of which reinforce those made not only by my right hon. Friend the Member for Richmond, Yorks, but by Members in all parts of the House. First, the British Government do have a role to play. Although, in a classically British way, we often underestimate ourselves and think that we perhaps do not have influence, we have direct influence over most of our allies. We do have influence over the United States of America, and it is important that, at times, behind closed doors—if not always in public—we be frank and honest with the Americans. Indeed, we can go to places in the middle east that the Americans cannot, which is a very important point.

As my right hon. Friend the Member for Richmond, Yorks said, this crisis has again proved—as virtually every crisis in the middle east does—the lack of any cohesion and direction on the part of the international community, particularly all the great powers of one kind or another. The point that I take from this debate is that, if we resolve the immediate conflict in the next two or three weeks—perhaps we will—the danger is that, once again, most of the major Governments outside the area will wash their hands, walk away and look at some other crisis. We cannot do that again, not only because of the immediate crisis involving Israel, Hezbollah and Hamas, but because, as many Members said, of the activities of Iran in particular, which is playing a very dangerous game. Iran is sponsoring terrorism that is aimed directly against many countries in the middle east, including Arab countries. Some of those activities have resulted in the death and injury of British military personnel, and we cannot walk away from that.

The Government must take the following courses of action. First, they must make certain that the period when military operations are given a chance is as short as possible. The Israelis have every right to protect themselves against terrorism and rocket and shell attacks but, as many hon. Members noted, they will be only too well aware that there can be no long-term military solution. The conflict can be resolved only by political means.

In addition, many hon. Members spoke about what is happening in Lebanon. My fear is that, although the Israelis have every right to root out the Hezbollah rockets, they might inflict so much damage that the state of Lebanon will be literally knocked out. If that happens, Israel will be in danger of losing the support of world opinion, which will render a political solution much more difficult to achieve.

Secondly, the Government must energise the international community. We are a member of the UN Security Council, and I look forward to hearing what actions Ministers propose to take there. Thirdly, as many hon. Members noted, there is the problem of getting humanitarian aid to Lebanon, the west bank and Gaza.

My right hon. Friend the Member for Richmond, Yorks and I spoke to the Lebanese ambassador earlier today, who said that the problem was not one of money but of getting aid to communities. He emphasised that, with 500,000 people crossing fields and walking along roads to get to Beirut, there is likely to be a civil disorder crisis in that city in the next two or three days. We look to the British Government, in particular, to take a lead on that.

Finally, I believe that the House of Commons is justified in taking a view on this crisis, and that the Government should not feel that it should not be debated. Strong and genuine views have been expressed on all sides of the House today, but mostly in a constructive manner. This Government resemble the Government who faced a series of international crises some 60 years ago. In the late 1930s, faced with an even greater crisis than this, the British Prime Minister, Neville Chamberlain, said that his Government were hoping for the best, but preparing for the worst. This Government may have to do the same.

5.47 pm

The Minister for the Middle East (Dr. Kim Howells): This has been a very good debate, albeit a very short one. It has been about the huge issues—matters of life and death—that at present affect the lives of thousands of British nationals and millions of Lebanese and Israelis, among others.

We heard the maiden speech of the hon. Member for Blaenau Gwent (Mr. Davies), and I am sure that the whole House will join me in wishing him well.

Quite rightly, the debate focused on the grave situation in Lebanon and Israel, but many other topics of equal gravity were touched on. The hon. Members for Buckingham (John Bercow) and for Teignbridge (Richard Younger-Ross), and the right hon. and learned Member for Devizes (Mr. Ancram), among others, reminded us about the other huge issues facing the world today, such as Tibet, Darfur, development aid, debt relief, AIDS, and Burma. Another matter raised in the debate was the argument for an international arms trade treaty—something that is very close to my own heart.

The hon. Member for Buckingham will know that my right hon. Friend the Minister for Trade summoned the Burmese ambassador to the Foreign Office—he has also written to Burma's Foreign Minister for the same purpose—to express our concerns about a range of human rights issues, such as the large-scale abuses of ethnic groups, forced labour, restrictions to religious freedom, the use of sexual violence and the exploitation of children. My right hon. Friend also called for the release of Aung San Suu Kyi and all other political prisoners. I hope that the hon. Gentleman will wait for questions on Tuesday for his answer.

It is worth spending a moment on Darfur, which has been raised by a number of right hon. and hon. Members. The UK reaffirmed its pledge of £20 million for the African Union force for this financial year. That is out of a world pledge of £260 million. I am told that the amount pledged is likely to be more than enough to meet the force's short-term needs but we will continue to put pressure on others to contribute more.

We believe that the African Union force in Darfur needs to be replaced by a UN peacekeeping force. The Sudanese Government have not agreed to that. Kofi Annan has said that he hopes to see a UN force in Darfur. The Security Council has taken a strong line. The African Union wants such a force and so do many leading African countries. We will continue to press the Sudanese Government to accept it and we call on others to do the same.

We have taken the very good advice of the hon. Member for South Staffordshire (Sir Patrick Cormack) and summoned the Iranian and Syrian ambassadors. My right hon. Friend the Foreign Secretary has spoken directly to the Prime Minister of Lebanon and the

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Foreign Secretary of Israel, among others. It was good advice and we were glad to take it.

Jeremy Corbyn (Islington, North) (Lab): Will my hon. Friend give way?

Dr. Howells: No. I have little time, I am afraid.

I share the concerns expressed tonight about Lebanon and Israel. This Government are committed to helping to resolve the crisis. We want an immediate end to the violence and our priority remains to create conditions that will allow a credible and sustainable ceasefire. I assure the House that my right hon. Friends the Prime Minister and the Foreign Secretary and I are working very hard to achieve that. I will be visiting the area immediately. In fact I would have been there now if it were not for this debate. I hope to speak to a number of leading regional players in the surrounding capitals as well as in the immediate area to try to help to find a way through the crisis.

We have supported the efforts of the UN team and of the EU high representative, Javier Solana, by providing them with transport and logistical assistance on the ground. As I made clear from the Dispatch Box on Monday, we have repeatedly urged the Israelis in the strongest terms to act proportionately, to conform to international law, and to avoid the appalling civilian death and suffering we are witnessing on our television screens. We expect no less from Israel and the world should demand no less from those who, for their own twisted reasons, supply Hezbollah with rockets, guns and finance.

We have called on Syria and Iran to stop their support for Hezbollah and to end their interference in Lebanese internal affairs, in accordance with UN Security Council resolutions 1559 and 1680. Syria and Iran will be judged on how they conduct themselves during this crisis.

Mr. Mohammad Sarwar (Glasgow, Central) (Lab): The first official Lebanese death toll confirms that 300 people have been killed, 1,000 wounded and 500,000 displaced. On the Israeli side, 29 people have been killed. The UN High Commissioner for Human Rights, Louise Arbour, says that Israeli and Hezbollah leaders may face war crimes charges over civilian casualties. How should the Government hold both parties to account?

Dr. Howells: I am sure that, if my hon. Friend had been here earlier, he would have heard this. My right hon. Friend the Member for Birmingham, Ladywood (Clare Short) properly raised the issue. Louise Arbour is someone whom we have to take very seriously. This is not a one-sided dispute and the evils of the destruction of civilians, their homes and communities are by no means limited to one side. I have tried to call in a balanced way for a reasonable response and for a cessation of violence.

I said earlier that Syria and Iran will be judged on how they conduct themselves during the crisis. Key players in the middle east are among those who will judge Syria and Iran. We have heard too little about countries such as Egypt, Kuwait and Saudi Arabia, which have broken ranks with the old ways of refusing to criticise the actions of countries that behave in that way. They are extremely concerned about this conflict. The right hon. Member for Richmond, Yorks (Mr. Hague) and the right hon. and learned Member for Devizes were right to argue that we should continue to use our great historical network of diplomatic contacts in that region so that we can act in concert to take the heat out of this terrible conflict.

In the few moments that are left, let me turn to the question of the evacuation. It is extraordinarily important. As we speak, some 1,300 people are being evacuated on HMS Bulwark and HMS York. To answer the question asked by the hon. Member for Dundee, East (Stewart Hosie), they include families of British nationals who may not be British passport holders. They also include many of our friends from the Commonwealth and Europe. We needed their help when the tsunami took place; the reaction to this terrible disaster is a worldwide one, and we need every ally that we can find in situations such as this.

Dr. Starkey: I have raised with the Minister the case of my constituent Mr. Saleh, who is a Lebanese citizen with a British wife whose main home is here in Britain. He may not be able to be evacuated because he has not been able to get British citizenship. Will my hon. Friend take up his case for me?

Dr. Howells: If my hon. Friend will send me the details, we will certainly take a look at it.

So far, approximately 2,800 people are being evacuated. It is an enormous number. A further evacuation is planned by sea tomorrow. It has been an enormous exercise.

If the events of this last week or so have taught us anything, it ought to have taught us that we must never and can never retreat behind imaginary fortress walls around these islands. The enemies of democracy will always bring the fight to us, wherever and whenever they can. The first duty of any British Government is to defend the lives and liberties of our citizens here and across the world. That is why we must continue to maintain the most professional armed forces in the world and why it is vital that those brave men and women are directed by a democratically elected Government. It is why we must maintain the superb work undertaken in the world's most difficult areas by our Department for International Development and why we must deploy and use to the best effect the great skills of those who staff our diplomatic missions abroad.

The sight of the Royal Navy's grey funnels off the coast of Lebanon, whether they were seen directly by those who wished to be evacuated or indirectly on television by their loved ones around the world must have been one of the sweetest sights that they will ever see. All of us must pay enormous tribute to the Royal Navy and the Royal Air Force, which supported it, and to all our armed forces who have taken part and will continue to take part in the operation. I am not sure that people have understood the danger in which they operated off the coast of Lebanon or the danger to the helicopters that flew over Lebanon. This is an extremely difficult situation.

We are very worried, as my right hon. Friend the Secretary of State said, about British citizens who are trapped in difficult areas in the south of Lebanon. We must find ways of getting them out. We are working with our colleagues in Germany, the United Nations and other countries to mount convoys and try to get the agreement of all the parties to the dispute to secure safe passage for those trapped individuals to points of safety. We know that a United Nations ferry is going into Tyre in the south. We hope that we can get many of our citizens and nationals and their relations on to that boat.

The Government will try to live up to the challenge of using the superb professionalism among our armed forces and our diplomatic service to help the United Nations and the international community to bring peace to Lebanon and the wider middle east. That must be the message that goes forward from this debate tonight.

Jonathan Shaw (Chatham and Aylesford) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

PETITIONS

Harpenden Memorial Hospital

6 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I present a petition signed by 8,713 local residents, including doctors, nurses and other employees who have worked at Harpenden memorial hospital and patients and relatives of patients who have been treated at the hospital, all of whom deplore the proposed closure of beds at the hospital. They say that the relatively small savings achieved by closing the ward are overshadowed by the huge impact on the care provided at the hospital for the most needy, frail, elderly and terminally ill people in the Harpenden area. They say that the closure is a breach of promises made at a public meeting in September 2005 when the people of Harpenden were told by the primary care trust that closing or running down the hospital would be bad for patient care and financially disadvantageous.

The petition states:

The petitioners therefore request that the House of Commons urge the Secretary of State for Health to work with the St. Albans and Harpenden Primary Care Trust to ensure that the beds at Harpenden Memorial Hospital are not closed.

And the Petitioners remain, etc.

To lie upon the Table.

Crawley Hospital

6.1 pm

Laura Moffatt (Crawley) (Lab): I present a petition of 32,000 signatures on behalf of 15,000 Crawley residents. The petition was tirelessly organised by Mrs. Rebecca O'Gorman of Crawley and concerns the closure of our accident and emergency department at Crawley hospital, which remains a difficult issue for many of us in Crawley.

The petition states:

The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to re-instate the Accident and Emergency services at Crawley Hospital to accommodate 24 hour a day emergency demands.

And the petitioners remain etc.

To lie upon the Table.

Asbestos Storage

6.2 pm

Bob Spink (Castle Point) (Con): This petition is similar to one I presented last week, but residents have collected another 200 signatures, which they wanted me to present to the House. I am grateful for this opportunity to do so.

The petition is against asbestos storage on the Manor trading estate, which is an inappropriate site due to its proximity to schools and residential areas. I am grateful to Councillors Jackie Govier, Bill Dick and Colin Riley for their work fighting for their community on the issue.

The petitioners say that the proposal will allow the storage of hazardous asbestos waste, which would introduce unacceptable risk and increased pressure of use of local roads and that it is particularly inappropriate in view of the immediate proximity of residential homes and a primary school. The petitioners further believe that there are much more appropriate sites for that activity in the local area and elsewhere, which would not cause such conflict.

The petition states:

The Petitioners therefore implore the House of Commons to call upon the Government to do all within its power to ensure that Essex County Council reject the application as requested by the Member of Parliament for Castle Point.

And the Petitioners remain, etc.

To lie upon the Table.

Saltaire Roundabout

6.4 pm

Philip Davies (Shipley) (Con): I am delighted to present a petition on behalf of residents of Saltaire and surrounding areas of my constituency about congestion at Saltaire roundabout. The issue is extremely important to my constituency and I have previously raised it in the House with the Secretary of State for Transport. I am delighted to endorse the petition wholeheartedly.

I put on record my thanks to Rachel Adamson who spent a lot of time putting the petition together and collecting signatures. In only a short time, she collected 413 signatures, which is just the tip of the iceberg in terms of the number of people who are concerned about the issue. The fact that she could collect so many signatures in such a short period shows how important the issue is.

The petition

Declares that the petitioners are extremely concerned at the danger to pedestrians and motorists of the current levels of congestion at Saltaire roundabout and believe that this is the most pressing transport priority within the Bradford district.

[Philip Davies]

The Petitioners therefore request that the House of Commons call upon the Government to recognise the importance and urgency of this problem and to ensure that the Highways Agency works with Bradford Metropolitan District Council and local residents to come up with a workable solution.

And the Petitioners remain, etc.

To lie upon the Table.

Winchcombe Hospital

6.5 pm

Mr. Laurence Robertson (Tewkesbury) (Con): This petition, signed by 3,686 people—and growing—which is a large percentage of the population of the area concerned, expresses their objection to the proposed closure of Winchcombe hospital, which is in my constituency. The petition states:

> The petition of the residents of Winchcombe and others, declares their objection to the proposals by the local Primary Care Trusts to close Winchcombe Hospital, a hospital which treats a good many elderly people, among others.
>
> The petitioners believe that these plans are inconsistent with the Prime Minister's and the government's stated objective of moving care closer to patients' homes and contrary to the Prime Minister's and the government's direction that community hospitals should not be closed in response to short-term budgetary pressures.
>
> The petitioners therefore request that the House of Commons urge the Secretary of State for Health to reject the financial plans being proposed by Gloucestershire's Primary Care Trusts, and, in particular, to direct them to enhance the services provided by Winchcombe Hospital rather than to close it.
>
> And the petitioners remain etc.

To lie upon the Table.

Drakelow Tunnels (Worcestershire)

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

6.6 pm

Dr. Richard Taylor (Wyre Forest) (Ind): Mr. Deputy Speaker, please may I ask you to pass on my sincere thanks to Mr. Speaker for selecting this debate? I lost the chance to hold it last week, under rather unusual circumstances that completely terrified and floored me at the time. It is also a great pleasure to see the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Tottenham (Mr. Lammy). Previous clashes between us have been rather confrontational—when he was in the Department of Health—but this debate is friendly, not confrontational. It is a joy to talk about the unique collection of antiquities that happens to be in my patch. This is a matter of great importance to many of my constituents in the north-west corner of my constituency, where Worcestershire borders South Staffordshire—in the villages of Wolverley, Cookley and Caunsall, parts of Kidderminster, and Kinver, in the constituency of my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack). He is supportive, as is the hon. Member for Dudley, North (Mr. Austin).

I have raised the matter now because I am aware that English Heritage and the Department for Culture, Media and Sport have been undertaking a heritage protection review, which I believe will lead to the Government's heritage White Paper later this year. A letter to me from the deputy secretary of the Society for the Protection of Ancient Buildings ended with this sentence:

> "It is yet to be clear how effective the Review's proposals will be, but the Drakelow site might well be worth raising in any debate."

That is why I am raising the Drakelow site.

First, there are the tunnels. I am grateful to Paul Stokes for his volume "Drakelow Unearthed", which I found in the Kidderminster library, which goes into great detail. Drakelow sits at the southern end of a ridge of soft red sandstone in which there are many caves. When Coventry had the tremendous blitz in the second world war, one of the factories making engines for aircraft was bombed out and it was realised that a safe place for making aero engines was needed. Drakelow was picked on because it is so easy to tunnel into the hills. In 1941, 160 ft below the hill top, the tunnels were started, at a cost of £285,000. They were intended to be a safe factory for those people displaced from Coventry.

The factory was in full production by 1943 at a cost of more than £1 million, so even in those days costs went up tremendously. Unbelievably, under the hill there are 3.5 miles of tunnels and 250,000 sq ft of working space. The site became literally a secret underground city. For those who are interested in second world war aircraft, the factory was building radial engines for the Blenheim and Pegasus engines for Sunderlands. Production carried on until those engines were no longer needed. I believe that the factory was involved in the production of the first jet engines for Meteors, which some of us will remember with great affection.

Following that, the site was used for storage. It was then transformed and in 1958 it became one of the safe sites for regional government, if regional government had to move out of the main centres. Again, the site catered for approximately 350 people from all Government Departments. A home defence review was undertaken following the change of Government in 1979. The facility was again upgraded, this time at a cost of something like £2 million, and it became a regional government headquarters, rather than a regional seat of government. However, only about a quarter of the site was used. The site was sold off in 1993 and has since been opened for occasional tours. It is privately owned.

The icing on the cake is what is on top of the hill. There is an iron age earthworks. There is a fort on the end of the hill that is protected on three sides by steep cliffs, with earthworks on the fourth side. It is a scheduled ancient monument that dates from 600 BC, so I am told. Next, in historical order, there is a large collection of rock-cut houses. As I said, the hill is made of soft red sandstone that is easy to tunnel into. Caves have been inhabited there since at least 1600. They were enlarged in 1769 and 1770 to accommodate the labourers who were building the Staffordshire and Worcestershire canal to connect the black country with the River Severn. They were enlarged yet again in 1850 and this time buildings were added in front. A local iron foundry master built those properties for his workers and made the development look like a Swiss village, with a fascinating little school and everything that was needed.

Edmund Simons, an Oxford scholar, has studied the dwellings. He describes them as

> "a number of complexes of rock-cut dwellings which are amongst the best preserved (yet least understood) in the UK."

He also describes them as

> "an exceptionally important 'cave' village of cave houses and rock-cut structures".

In "Historic Worcestershire", W. Salt Brassington described the dwellings as

> "the most picturesque group in a natural amphitheatre below the earthworks of an ancient camp."

He waxed quite lyrical as he went on to write:

> "In comparatively few places in the world are civilised people found still living after the manner of primitive man".

He wrote that in 1894. He also cited the following quote, although I cannot find its origin:

> "in hollow holes, like swarms of tiny ants, in sunless depths of caverns".

He continued by writing that in that part of the Severn district people

> "have lived in caves from time immemorial".

A monument to Richard Baxter is also in the same area. He was a non-conformist preacher in the 1600s who was described in the "Oxford Dictionary of National Biography" as

> "one of the most learned seventeenth century divines".

His well-known memorial, which was raised in 1875, is a landmark in the town of Kidderminster, and it is used as a perch by passing pigeons. He has one finger raised to the heavens, and the dedication reads:

> "From 1641 to 1660 this Town was the scene of the Labours of Richard Baxter renowned equally for his Christian Learning and his Pastoral Fidelity.
>
> In a stormy and divided age he advocated unity and comprehension pointing the way to 'The Everlasting Rest'."

Most significant of all is the line:

> "Churchmen and Nonconformists united to raise this memorial."

On top of the tunnels there are many antiquities, but recently there has been a threat to the tunnels. A developer wished to establish a training facility for unemployed people from the midlands, and although the development was small to begin with, it was probably intended to become much bigger. The local council turned it down—thank goodness—because it is green belt land and there were no transport links, and because of the chance of damage to the iron-age fort, the area surrounding the Baxter memorial, and the rock-cut houses. I believe that there is a precedent: in 1967, the then Home Secretary wanted to build a prison for 1,200 people in Wolverley—the next-door village—on the site of a former camp for American forces, but Sir Tatton Brinton, the MP for the area between 1964 to 1974, opposed the development. A public inquiry ruled against the development:

> "The Home Office had failed to justify the siting of a prison involving many new permanent houses in a vulnerable part of the Green Belt and the spoiling of the attractive character of the area for an indefinite period".

Sir Patrick Cormack (South Staffordshire) (Con): The hon. Gentleman kindly referred to my support. I want to put on the record the fact that I much appreciate his initiative in seeking the debate, and I congratulate him on securing it. He has given an excellent exposition, and my constituents in the Kinver area would wholly and utterly support everything that he has said.

Dr. Taylor: I thank the hon. Gentleman for that intervention.

May I ask the Minister one or two questions about the heritage White Paper? Will it address the problems of complex sites such as Drakelow? In a letter to me, the Society for the Protection of Ancient Buildings said—I hope that it got this right—that

> "Among the Review's aims is simpler but more effective treatment of complicated sites of the Drakelow kind, which have various conservation designations and many layers of history combining structures and landscape."

Does the White Paper address the problems of antiquities that are privately owned? Some fabulous stained-glass windows in our area are privately owned, and no one can see them. I fully realise that people who own something like that, and who intend to sell it, need to accept the best price, and if they are thinking of developing it for tourism, they need help to do so. Does the White Paper say anything about that?

I have a dream for my constituency. Sadly, in my area, industry is declining, with a few notable exceptions, but tourism is building up. Already, we have some exciting tourist sites. There is the Severn Valley railway and a huge heritage railway facility is being developed; there are also the canals and the beautiful

[Dr. Richard Taylor]

Litchfield basin, which has been dry for years. It is being dug out to be refilled. We have a carpet museum on the drawing board. There are so many attractions, and it would be splendid if the Drakelow complex, demonstrating how it was used for aircraft production, the regional seat of government and everything else, could be added to the industrial heritage tour that we have set our sights on.

In a letter to me, the head of conservation at the Council for British Archaeology, Dr. Gill Chitty, states that

> "it seems that this complex and fascinating group of historic sites and buildings would benefit from a conservation plan—a study to identify what is uniquely significant about the heritage of the site, to bring together the views of all those concerned with its future and to set out how it can best be used and managed for the greatest public benefit."

She goes on to say that she hopes that we will see in the White Paper

> "a more integrated and better informed system for dealing with the protection of complex, multi-period sites like Drakelow Tunnels."

I will finish by explaining what I think the word "Drakelow" means. "Drake" is a well known old English expression for dragon. "Low" refers to the caves immemorial where the dragon has lain low. According to a popular story, it was last seen in 1591. I am hoping that if we have a real plan for the preservation of that unique site, maybe the dragon will feel safe and we will see it again in the coming years.

6.21 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): I thank the hon. Member for Wyre Forest (Dr. Taylor) for securing the debate and for the opportunity to hear about a fascinating site. I, too, welcome this exchange, which is taking place in a friendly manner.

The historic environment is unique in telling the story of how we have interacted with our surroundings since prehistoric times. The Drakelow tunnels and the surrounding area are a rich illustration of that. In one small area, we have an iron age prehistoric hill fort, cave dwellings that are believed to date from the 19th century, the Richard Baxter monument, and the tunnels themselves, which alone provide a fascinating insight into the second world war and the cold war, as illustrated by the hon. Gentleman. I can appreciate why he considers the site to be of huge importance not just to his constituents, but to the region.

To set the context, it may help if set out the various regimes that we use to protect the historic environment. First, there are national systems designed to protect important historic assets. For buildings, that is the listed building system that protects buildings of special architectural or historic interest, graded at grade I, grade II* or grade II. For below ground archaeology, there is the system of scheduling, which is used to protect sites of national importance.

Mr. Ian Austin (Dudley, North) (Lab): I congratulate the hon. Member for Wyre Forest (Dr. Taylor) on securing this important debate and on his fascinating speech. Will my hon. Friend the Minister examine the proposal made by my constituent, Mr. Roger Bruton, who served his country with great distinction first in the Army and later in the Territorials, where he was charged with responsibility for defending the Drakelow tunnels and the regional government? He believes that Drakelow should become a museum dedicated to the second world war and the cold war years, which he says would be a major boost to tourism and the economy of the west midlands, especially because of the large number of American servicemen who were stationed in the area.

Mr. Lammy: That is certainly an interesting idea that should be taken forward locally. My hon. Friend will know that there are several museums in the area, including the Hack Green nuclear bunker museum at Nantwich. When we look to see how we can preserve our heritage, it is important that we work with people at museums, libraries and archives, because they have the expertise to identify and facilitate funding lines.

Let me return to the current protection arrangements. Alongside the scheduling and listing regimes that I described, we have a regime for protecting individual assets, and there are also tools to protect areas of significance. Most importantly, local authorities have a duty to designate conservation areas, which are areas of special architectural or historic interest that have a character and appearance deserving of preservation and enhancement.

Those are the main statutory protection systems, but there are also a range of non-statutory protections available to historic assets. English Heritage is responsible for developing registers of historic parks, gardens and battlefields. In addition, almost half of all local authorities, including Wyre Forest district council, have developed lists of locally significant buildings. Information about a building, place or area can also be captured on the national monuments record or on the local historic environment record.

What do all those designation systems achieve? In some cases, specific designation regimes carry specific protections. For example, listed buildings are managed through the system of listed building consent, scheduled ancient monuments are managed through the system of scheduled monument consent, and some change in conservation areas is managed through specific conservation area consent. However, those individual regulatory regimes are designed to deal with only a small proportion of our historic assets. Most change to our historic environment is managed not through those regimes but as part of the planning system, whereby information about an historic asset may be taken into account as a material consideration in determining a planning application.

The Drakelow tunnels site is a good illustration of how the various regimes come together, because several protection systems are in operation. The tunnels themselves are neither listed buildings nor scheduled ancient monuments. They were considered for listing by English Heritage in the late 1990s as part of a thematic review of the nine cold war regional seats of government. Following that review, two of the regional seats, at Nottingham and Cambridge, were listed at grade II. The iron age hill fort that sits above them is a scheduled ancient monument, while the Richard Baxter monument is grade II listed. The hon.

Gentleman is right to say that it is a complex site with different systems bearing on it. Those protection systems sit alongside mainstream planning controls and the priority given to heritage in the Wyre Forest district council plan.

I have outlined a complex system of heritage protection in England. Indeed, we acknowledge that it is far too complex to be easily understandable. That is why we are finalising plans to make it more streamlined, open and accountable. We want to simplify our heritage protection systems and make it easier for local communities to engage with decisions that shape their environment.

In the time we have left, I do not want to go into the detail of our proposed reforms. Instead, I refer the hon. Gentleman to the 2004 document that the Department published, which sets out the proposed reforms in detail, or to the transcript of my recent appearance, with Baroness Andrews, before the Culture, Media and Sport Committee. However, it may help if I briefly outline the key changes that we propose.

First, we intend to simplify the designation system by developing a new unified register of historic sites and buildings of England. That will bring together the current systems of listing buildings, scheduling ancient monuments and registering parks, gardens and battlefields under a single designation regime. The register will make designation decisions easier to understand and dramatically improve the quality of information available about designated sites to enable owners, communities and local authorities to understand more about their historic assets.

At the same time as reforming designation, we will encourage local authorities to make greater use of local listing to provide recognition for locally important sites that may not be suitable candidates for national designation. As I have said, many authorities already make extensive use of local lists. Wyre Forest district council has already designated 300 locally listed buildings in Kidderminster and 350 in Stourport. We want to make that local designation process easier, and encourage more local authorities to use it.

Secondly, we want to streamline and simplify the consent regimes associated with national designation. We will introduce a new heritage consent regime, which will bring together scheduled monument consent and listed building consent in a single system.

We will introduce new management agreements for historic sites. They will encourage constructive partnership between owners, managers, regulators and communities in deciding how best to manage change to complex sites. Developing those partnerships will enable us to reduce bureaucratic burdens on owners and local authorities by reducing the volume of individual consent applications.

Pilot studies have already shown that the reforms can bring genuine benefits. We intend to publish a White Paper setting out the detail of our reforms later in the year. Once implemented, the reforms are likely to have some impact on a site such as the Drakelow tunnels. Let me outline possible matters of special interest. The improved designation documentation would increase understanding and appreciation of the listed memorial and the scheduled iron age hill fort. The move to encourage greater use of local listing is also relevant. Local listing can make it clear, when planning applications are made, that people treasure the area and building under consideration, and that specific obligations go with it. Wyre Forest district council is already making extensive use of local lists. However, it is worth underlining that the Drakelow tunnels are not currently listed or scheduled. We have not, as far as I am aware, received any recent application to list them.

The Department will consider any application to have a building or site listed or scheduled, though the tunnels have already been considered for listing by English Heritage. It is also worth pointing out that most change to historic sites is managed not through individual designation systems, but as part of the planning system. I understand that the original planning application for the site in January 2006 has now been withdrawn. If and when a revised application is made, it will be for the local planning authority to determine, in line with the policies set out in its local plan, including those that relate to the historic environment, the future of the site, what is appropriate and how matters should proceed.

I hope that I have been able to underline to the hon. Gentleman the importance of the historic environment and the reforms that we are trying to introduce to make the system easier to understand and more open, transparent and democratic. Those reforms will also assist locally. However, local things can be done and, if the enthusiasm that he has shown today reflects how local people feel about the site, it is likely to be preserved for many generations to enjoy.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes to Seven o'clock.

House of Commons

Monday 24 July 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Yorkshire Regiment

1. **Hugh Bayley** (City of York) (Lab): If he will make a statement on the role of the Yorkshire Regiment. [87183]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The Yorkshire Regiment is an infantry regiment consisting of three regular battalions and one Territorial Army battalion. The 1st and 2nd Battalions fulfil the light infantry role, and the 3rd Battalion fulfils the armoured infantry role. The role of the Territorial Army battalion is to provide a contingent component to support the three regular battalions and to act as a civilian contingency reaction force for 15 Brigade. The battalion was formed on 6 June 2006 with formation parades in York, Catterick, Warminster and the Balkans.

Hugh Bayley: Will my right hon. Friend pass on the congratulations and best wishes of the Government and the House to the newly formed Yorkshire Regiment, and especially to the soldiers of the 2nd Battalion currently serving in Kosovo and the 1st Battalion soldiers, who will soon be deployed to Iraq? The Yorkshire Regiment is the only county regiment in the British Army. Does he agree that it is important to build links between the regiment and the people of Yorkshire, and for local government to do its bit by transferring the freedom of the city, which was awarded to predecessor regiments, to the new Yorkshire Regiment?

Mr. Ingram: I am only too happy to pass on those warm thoughts from my hon. Friend. He raises an important point about links between the local community and the newly formed regiment, and the need to ensure that those links have the same strength and depth as links with the former regiments. He asked whether I would support that, and I would. He asked whether I would support the granting of the freedom of the city to the new regiment. The answer is yes. I am conscious of the fact that HMS York, which has done such wonderful work recently in Lebanon, has the freedom of the city. I am sure that those two complementary parts of the armed forces would work well together.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): The Minister has already mentioned the Territorial Army battalion. A number of soldiers from the Scarborough TA centre have served with distinction in a number of theatres. Sadly, the staffing has already been cut from six to three, with an NCO in charge. We are told that further cuts will mean that there will be no full-time staff. Can the Minister reassure me that the writing is not on the wall for the Scarborough TA centre?

Mr. Ingram: I cannot off the top of my head. I will write to the hon. Gentleman. TA rebalancing involves a complex picture. It would be wrong for me to try to remember every town and every element of it. I can tell him that we have put additional full-time resources into serving the Territorial Army for the prime purpose of making sure that there is depth to what it seeks to do in individual communities. I will write to him about Scarborough. I am sorry that I do not have a detailed answer today.

Philip Davies (Shipley) (Con): Of course we all wish the men and women of the Yorkshire Regiment well, but does the Minister understand that many people in Yorkshire mourn the loss of the regiments that the Yorkshire Regiment replaced? Will he assure the House that the Government will not dismantle any more regimental history and tradition?

Mr. Ingram: The hon. Gentleman may wish to look at the history of regimental change over the decades and perhaps even the centuries. The one thing that the British Army has always been able to do is try to predict its future needs and what its shape should be, and organise things accordingly. He should also be aware that the recommendations for the new infantry structure and the whole Army structure were promulgated by the chiefs of staff. They did not come from any other drive. They were based on a number of factors, not least of which was the important change in Northern Ireland. The future Army structure and infantry structure will mean that we have more of the Regular Army available for operational requirements and duty than has applied hitherto. That must be to the benefit of our serving soldiers. There are other positive aspects. If the hon. Gentleman looks back at the statements made in the House, he may get a better understanding of the matter.

Defence Industrial Strategy

2. **Sarah McCarthy-Fry** (Portsmouth, North) (Lab/Co-op): What contribution the defence industrial strategy will make to supporting British armed forces and securing British jobs. [87184]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The aim of the defence industrial strategy is to ensure that the Ministry of Defence and industry work together to provide the best possible capability for our armed forces. It seeks to provide greater visibility of the Department's forward planning so that industry's planning can be better informed, and to identify the national industrial capabilities that we need to sustain on-shore. The strategy therefore offers the best basis for providing our forces with the equipment that they need and at the same time allowing our national defence industry to sustain significant levels of employment and core capabilities over time.

Sarah McCarthy-Fry: I met the commander of Portsmouth naval base and the managing director of Fleet Support Ltd this morning. We discussed the unique one-stop-shop service for ships at Portsmouth naval base, where concept, design, build, launch, support, upgrade and eventual disposal are offered. That is made possible by a partnership between industry and the Royal Navy. Does my right hon. Friend agree that that is the only such service in the UK and that Portsmouth naval base, with its consolidation and co-location of industry and the Royal Navy, is a unique example of best practice in delivering the objectives of the defence industrial strategy?

Mr. Ingram: It would be easy to say yes to that, but I would not want to give an impression that we do not have to examine all that we are delivering through work on the maritime infrastructure project. Of course, where we have excellence in companies—my hon. Friend mentioned one in her constituency, which has unquestionably given us tremendous service over the years—it is important that we consider how we can best ensure that we have the right capacity to meet our needs. The work to identify that will take some time. I have no doubt at all that those with particular excellence in this field will play a strong card, and my hon. Friend is a strong card on behalf of both her constituency and the company.

Mr. Mike Hancock (Portsmouth, South) (LD): Like the hon. Member for Portsmouth, North (Sarah McCarthy-Fry), I met the base commander and the company concerned last week, when they raised the same important issue. Are the Government prepared to ensure the stability of all three naval yards—Devonport, Portsmouth and Rosyth—so that there is a fair weighting of maintenance work? Will the Government also ensure that they rightly recognise the loyalty of the work force by giving them continuous support for their actions over the past 100 years or more?

Mr. Ingram: I would be the first to congratulate the work force on all the work that they do. However, we must realise that change is under way, which is why we are working with all companies at all naval bases to determine the best configuration to meet the needs of the country not in the past century, but in the decades ahead. I do not think that that will be easy. We must realise that the number of ships that require maintenance now and the capacity in those bases will mean that there is change. We must be realistic, not romantic, which means that we need to look to the future, rather than dwelling on the past.

Mr. David S. Borrow (South Ribble) (Lab): Will my right hon. Friend comment on developments on the joint strike fighter, which is a crucial project for our defence industry and our military? Will he comment on the progress that is being made on the transfer of intellectual property with the Americans and on the prospects for manufacturing facilities being located in the UK—and more particularly in Lancashire?

Mr. Ingram: I know that my hon. Friend had a benefit last week that I did not have, because he visited the Farnborough air show. I was due to visit it, but unfortunately the events in Lebanon demanded my time. I would have liked to be there because I would have seen tremendous excellence from the British aerospace sector across the board, as he did. We are continuing to work very hard to deliver the joint intent of President Bush and my right hon. Friend the Prime Minister on the UK's operational sovereignty for the joint strike fighter. The matter is at the highest level of consideration. We have made good progress and have set a framework for further discussions over the next few months in even greater detail. We believe that these are important steps towards the signing of the memorandum of understanding towards the end of the year. There is still work to be done, although great progress has been made. As long as my hon. Friend continues to represent his constituency—both at air shows and in the House—I am sure that all that good work will be properly recognised.

Robert Key (Salisbury) (Con): Will the Minister ensure that the defence industrial strategy pays proper attention to the defence nuclear industry in terms of both science, technology and engineering, and, of course, the read-across to the civilian nuclear industry, because we will otherwise lose tens of thousands of highly skilled people? Their jobs would not be replaced in this country, so we would lose their expertise to foreign countries.

Mr. Ingram: That is a critical part of the key manufacturing, scientific and technological strengths of this country, and too many people who are opposed to the nuclear industry, whether in the civil or defence sector, seem to forget that. Such a thing would rip the heart out of large parts of our science and technology base. We must ensure that we give those who wish to take up such aspects of a university and graduate career, or those who work in the technical side, a long-term future, because that is good for the economy and also the defence of the country.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I welcome my right hon. Friend's response to the hon. Member for Salisbury (Robert Key). Is he satisfied that industry is playing its full role in consolidating the submarine industry in a way that will allow those key skills to be kept together?

Mr. Ingram: I know that my hon. Friend keeps a close eye on this subject, and I do not know how best to interpret the question. She knows that a major procurement programme is under way in terms of the Astute submarines, and the basing of that has been determined. There will be a long-term use of that particular capability. As we look towards future capabilities, we have set out what we intend to do about the replacement for Trident, if she was directing her question at that. *[Interruption.]* The hon. Member for New Forest, East (Dr. Lewis) says that she was. I am giving a longer answer because there are bigger aspects to consider. There is more than just one element to the debate, which is why I mentioned the Astute programme. In terms of how we look forward, that will all be part of the national debate. I have no doubt that my hon. Friend will make a major contribution to that debate.

Afghanistan

3. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What his latest assessment is of the security situation in Afghanistan. [87185]

The Secretary of State for Defence (Des Browne): The security situation across Afghanistan as a whole is stable, but fragile in places, including Helmand and the rest of the south of Afghanistan, where the rule of law has yet to be established fully.

Mr. Bellingham: With the Prime Minister advocating a NATO force of 20,000 for south Lebanon, and with real uncertainty over the US draw-down from Operation Enduring Freedom, is the Secretary of State concerned that we may end up with too few troops in Afghanistan, without the right equipment and without enough lift capability? What discussions has he had with Secretary Rumsfeld, and what is his assessment of the chances of other countries joining the international effort in Afghanistan?

Des Browne: As the hon. Gentleman knows, 37 other countries are involved in Afghanistan. One would be hard-pressed to find countries that are not. I have spoken to Secretary Rumsfeld about continued support from the United States and the transfer of authority at the end of this month. The United States will continue to be a member of NATO and to provide significant support. Indeed, in the south it will continue to provide a bridge in relation to the air support that is necessary. Having spoken recently to General Richards, who will be responsible for that, I am satisfied that there are sufficient forces and assets to maintain the operations that we are setting out to achieve.

Mrs. Ann Cryer (Keighley) (Lab): I wonder whether my right hon. Friend heard the "Today" programme a week or two ago, when the Taliban spokesman excused the bombing of schools by saying, "Oh well, actually we don't bomb schools. We only bomb girls' schools." Is any special protection being afforded to such schools?

Des Browne: I welcome my hon. Friend back to the House after her recent illness and hope that she keeps well.

I did indeed hear that interview. The House should celebrate the fact that of the 5 million additional children who are now in school in Afghanistan, one third are girls, whereas no girls were educated at all under the Taliban regime.

In relation to Helmand province in particular, my hon. Friend may be aware that in the village of Nawzad, where our troops are providing a degree of security, the Taliban had not only closed the school, but taken it over and were using it as mortar base plate location. Delivering security is exactly the sort of activity that we have been conducting in those communities which will allow those schools to reopen. We will provide protection for the teachers and encourage the children, including the girls, to attend school.

Mr. James Arbuthnot (North-East Hampshire) (Con): The Secretary of State announced today that he will be sending two extra Chinook helicopters to Afghanistan. That is unreservedly to be welcomed. I congratulate him on making an announcement that brings forward things that will cost extra money. Does he accept, however, that that needs to be far from the end of the story? An extra two helicopters may well not be enough, given the importance and difficulty of the essential job that we are carrying out in Afghanistan.

Des Browne: I thank the right hon. Gentleman for his support, which I welcome. He will know that that was part of a statement that I made; I have no doubt that we will get to the other parts later in these questions. He will know, too, that those two Chinook helicopters were requested by commanders on the ground and staffed up to me by the chiefs of staff who approved that request, and I acceded to it. When I made the announcement about additional deployments in Afghanistan, I gave a figure to the House that included the anticipated cost of the additional helicopter support. The right hon. Gentleman will be reassured that in the same statement I said that we would keep helicopter and air support provision under review, and we will do just that.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): My right hon. Friend knows that the role of the RAF will be absolutely fundamental in Afghanistan. Is he therefore absolutely satisfied that there is sufficient security for our air personnel, even with the assistance of the RAF regiment, to protect them from constant incoming attack?

Des Browne: My hon. Friend will be pleased to know that the RAF is providing significant support in Afghanistan, not only for our troops in the south but for other troops deployed in that part, particularly from the Kandahar air base where our Harriers are based. We have made the decision to continue to base the RAF there for some time into the future. She ought to recollect that not long after I was appointed to this job I made an announcement that we were deploying additional troops to the Kandahar air base to provide full security. Consequently, having made that decision and having deployed those troops from the RAF regiment, I am satisfied that security is sufficient for the RAF.

Mr. Michael Ancram (Devizes) (Con): Why are the few helicopters that we have in Afghanistan based in Kandahar where our troops are not, rather than in Helmand where they are?

Des Browne: The reason our helicopters are based in Kandahar, which is a comparatively short distance from our troops in Helmand—

Mr. Ancram *indicated dissent.*

Des Browne: The right hon. and learned Gentleman shakes his head. I have the advantage of having been there, seen the distance and indeed travelled in a helicopter from Kandahar to where we are based. As my right hon. Friend the Minister of State said, the helicopters are there because we believe that at present we can provide the level of support and in particular the security better at Kandahar than at Camp Bastion. At some time in the future we may well be able to provide that security at Camp Bastion, but that will be a matter for commanders on the ground and not for me.

Mr. Jim Devine (Livingston) (Lab): What progress has been made in training Afghanistan security forces in peacekeeping measures?

Des Browne: My hon. Friend will be pleased to hear that we have managed to train 28,000 soldiers and in excess of 30,000 police officers in Afghanistan—but we are not finished there. Not only are we training Afghanistan forces, but in Helmand province we are working with them very closely. In fact, we have deployed trainers and mentors who are working, living and eating with Afghan Kandaks and, as the commanding officer on the ground says, are prepared to die with them if necessary. That is having a significant effect on their ability to deliver security for their own people.

Bob Russell (Colchester) (LD): The whole House appreciates the excellent work that the British forces are doing in Afghanistan. As far as Helmand province is concerned, Brigadier Ed Butler, commander of the 16 Air Assault Brigade, is reported in the Colchester *Evening Gazette* only today as saying that morale is exceptionally high. The mission in Afghanistan is of enormous importance and UK troops are performing a vital role, but how do the Government reconcile the comments reported in Saturday's edition of *The Guardian* made by General David Richards, head of the NATO international security assistance force, who says that Afghanistan is "close to anarchy", with their own assurances that

> "neither the Taliban, nor the range of illegally armed groups currently pose a threat to the long-term stability of Afghanistan"?

Des Browne: The hon. Gentleman disadvantages himself by relying on a press report of what General Richards said. In fact, when General Richards used the word "anarchy", he used it specifically in relation to the lack of coherence in the network of international Government and non-governmental organisations operating in Afghanistan. He was not referring to the security situation or to the rule of law in the country. Lest it be thought that, by explaining the context of that reference, I am being complacent in any sense, I add that he went on to say that a number of measures were now in place that would tackle the problem of coherence in the Afghan and international community's response, including President Karzai's creation of a policy action group to co-ordinate and drive through key elements of Afghanistan's development. He was not talking about security at all when he used the word "anarchy".

Dr. Roberta Blackman-Woods (City of Durham) (Lab): Will my right hon. Friend tell the House how the new contingent of British troops being sent to Afghanistan and their support staff will contribute to economic and social development, particularly in Helmand?

Des Browne: My hon. Friend asks an important question, because a significant proportion of the additional troops whom we deployed to Afghanistan consists of 320 engineers. That is recognition, based on observations made in the early weeks and months in Afghanistan, of the fact that in order to deliver reconstruction in the context of improved governance, which will be the future security of the people in Helmand province, we must be able to find a method of doing so in a fragile security situation. That is exactly what the deployment of those engineers is designed to do. Through that deployment, we will take advantage of the progress that Commander Ed Butler and his troops made in the early months in Afghanistan to build on that security by delivering progress to communities across the south of Afghanistan, particularly in Helmand province.

Mr. Gerald Howarth (Aldershot) (Con): As the House is aware, my right hon. Friend the Leader of the Opposition and the shadow Defence Secretary, my hon. Friend the Member for Woodspring (Dr. Fox), are in Afghanistan, and I thank the Secretary of State for helping to facilitate their visit. As my right hon. Friend the Leader of the Opposition has said, we support the mission and, above all, the work undertaken by Her Majesty's armed forces, but Parliament has a duty to hold the Government to account for their policy in Afghanistan.

The hon. Member for Colchester (Bob Russell) referred to NATO's commander in Afghanistan, Lieutenant-General David Richards, who, on Friday night, said that western forces were "short of equipment" and were "running out of time". He said, too, that there was a lack of unity between the different agencies responsible for implementing the reconstruction work, which means that the situation, as the Secretary of State acknowledged, "is close to anarchy". How on earth does that square with the written answer that the Secretary of State gave my hon. Friend the Member for Woodspring last week, in which he said:

> "Neither the Taliban, nor the range of illegally armed groups, currently pose a threat to the long-term stability of Afghanistan"?—[*Official Report,* 18 July 2006; Vol. 449, c. 342W.]

Surely there is an element of complacency in that, which ought not to be there?

Des Browne: There is no complacency at all. I know that the right hon. Member for Witney (Mr. Cameron) is with the hon. Member for Woodspring in Afghanistan, and I was pleased to be able to assist in ensuring that they could have that experience and could communicate to our troops in Afghanistan their support and the support of other Members of the

House. Before they left, they confirmed to me that they would be pleased to take that message to our troops in Afghanistan.

In answering the question as I did, I was doing exactly what I, and my predecessor, have done on a number of occasions in relation to Afghanistan: I drew a distinction between the strategic threat that the Taliban could pose to the Government of Afghanistan, and the localised threat that I have, on a number of occasions at this Dispatch Box, candidly admitted that they pose. I do not believe—nor does General Richards—that the Taliban pose a strategic threat to the Government of Afghanistan. That is what my answer to that question was designed to impart. If the hon. Gentleman checks *Hansard*, he will see I have used that phraseology in that very context on a number of occasions. Indeed, it has been used by myself and by the previous Secretary of State for Defence since March this year, in answer to very similar questions.

Let me just deal with General Richards's view: I had the benefit of meeting him on Friday morning, and I do not have to rely on the way in which he was inaccurately reported in newspapers. Let me quote what General Richards—

Mr. Speaker: Order.

Mr. Howarth: I am sure that the House is grateful to the Secretary of State for not reading out the entire speech that General Richards made, but he made it at a public gathering at the Royal United Services Institute and it has been widely reported. Either all the reporters have got it wrong, or there is something wrong with the right hon. Gentleman's recollection.

I want to ask the Secretary of State something else about Afghanistan, which is extremely important. Increasing numbers of British troops are being deployed to Afghanistan and the United Kingdom has another role to play there. We have been charged specifically with the lead role in helping the Afghan Government to rid the country of drug production. Last week the Minister for the Middle East said what the strategy should be. Perhaps I am quoting inaccurately and the Secretary of State can tell us if the newspapers have got it wrong, but the Minister said:

> "Go for the fat cats, very wealthy farmers, the movers and shakers of the drugs trade".

General Sir Mike Jackson, Britain's most senior soldier, said:

> "To physically eradicate"

opium poppies

> "before all the conditions are right seems to me to be counter-productive"—

Mr. Speaker: Order. There are Back Benchers who are entitled to be called as well.

Des Browne:

> "The mission in Afghanistan offers the clearest example of how NATO is successfully transforming…Much progress has been made, and the strength, diverse capabilities, and flexibility inherent in multinational operations is being proved."

Those were the words that General Richards used to conclude his contribution to the RUSI conference. They are entirely contradictory to the way in which his speech has been reported. Those are his own words, not three or four of them taken out of context.

With regard to drugs, there is no inherent contradiction between our focus on reconstruction and our ambition to rid Afghanistan of narcotics. There is no long-term sustainability for Afghanistan if its economy is substantially based on narcotics. At this stage we are not asking our soldiers to be drugs police officers. That is a matter for the Afghan police. However, we have accepted a responsibility to build up the capacity of Afghanistan to deal with the issue. We are doing that. We are putting significant investment into it, and by the delivery of security, we are creating a set of circumstances where that can be done. All this is perfectly consistent.

Nuclear Deterrent

4. **Mark Hunter** (Cheadle) (LD): What estimate he has made of the costs of replacing the UK's strategic nuclear deterrent. [87186]

The Secretary of State for Defence (Des Browne): In preparation for decisions later this year on any replacement for Trident, officials are working on possible options and costs. Ministers will consider the outcome of that work later in the year. It is therefore premature to speculate on the possible costs of any replacement.

Mark Hunter: Given that the combined capital expenditure and through-life running costs of a Trident replacement could ultimately exceed some £40 billion, according to some experts, can the Minister say specifically where those funds will come from? Can he further assure the House that the funding for the UK's conventional armed forces, which are already overstretched in many instances, will not be adversely affected as a consequence?

Des Browne: I have no doubt that in the context of the debate that will take place, the hon. Gentleman will have an opportunity to make clear, individually and on behalf of his party, when we understand what his party's position is on the matter, where they stand. Clearly, the hon. Gentleman, like his colleagues, will have to live with the financial consequences of any decision that we make, just as we on the Government side, and no doubt the official Opposition, will be prepared to do, but he can be reassured that the timetable set for the decision is such that the decisions about the costs can be incorporated in the comprehensive spending review considerations, and decisions about costs will be made once we work out which option we want to adopt and what the costs of that option are.

Mr. Jim McGovern (Dundee, West) (Lab): The development of our nuclear deterrent took place more than 50 years ago and involved the work of many armed forces personnel, not least the veterans who took part in the Christmas Island tests. Will my right hon. Friend reconsider the matter of compensation for that ever-decreasing band of surviving veterans and their families, including my constituent, Mr. Tom Malone, before it is too late to help any of them?

Mr. Speaker: Order. Perhaps the Minister can write to the hon. Gentleman. The question is on another matter.

Mark Pritchard (The Wrekin) (Con): When we have the debate on the strategic nuclear deterrent, could it include a discussion of the ballistic missile defence shield that America, South Korea and Japan have, but which Britain does not have? The Americans are looking for a third site. Could we have a debate about it possibly being located in the United Kingdom if they are prepared to pay for it?

Des Browne: Those are two separate issues. I understand why the hon. Gentleman wants to relate them, but to conflate them in that way will merely confuse the debate. He can rest assured that when there are any considerations in relation to any of these matters, we will be transparent and report them to the House.

Chris Bryant (Rhondda) (Lab): One of the ways in which we have managed relatively to keep down the cost of our nuclear deterrence is by our co-operation with the United States of America. If we want to do the same in future, would it not make sense for us to establish strong connections at every level with all our nuclear allies, including the French?

Des Browne: My hon. Friend will need to wait to see what recommendation the Government make after the risks, threats, options and costs have been considered before we have the debate about how that relates to our allies. I reassure him that we have the fullest appropriate co-operation with all our allies across all areas of defence.

Dr. Julian Lewis (New Forest, East) (Con): Given the importance of the role of the Chancellor of the Exchequer in finding the money for any successor to the Trident submarine fleet, will the Secretary of State tell the House whether his good friend the Chancellor told him before he made his Mansion house speech, or only afterwards, that he was going to declare himself in favour of keeping the nuclear deterrent, not only in the present Parliament but in the long term?

Des Browne: I pay tribute to the hon. Gentleman for his persistence in trying to get from me an answer other than the one that I have given him now on a number of occasions, which is that the Chancellor of the Exchequer and I have many discussions, the nature of which I consider to be confidential. It was hardly a surprise to me that my right hon. Friend should make a speech that was entirely consistent with party policy. I only wish that all of the people on these Benches would make speeches that were entirely consistent with party policy.

Dr. Lewis: With the greatest respect to the Secretary of State, not only was it consistent with party policy, it went rather further, because in talking about the long term it suggested replacement, not just continuation, of the existing fleet. But let us leave that aside and take the right hon. Gentleman's answer as a no—he did not know until he read the speech. Given that the Prime Minister has said that the nuclear deterrent historically has tended to be sui generis, thus implying that separate funds would be found to pay for any successor to the present Trident fleet, can the Secretary of State confirm that it is not intended to raid the conventional defence budget to pay for a new generation of strategic nuclear deterrent?

Des Browne: I can confirm that it is not intended to raid the conventional budget to pay for a new generation of nuclear deterrent, but I do that from a position that no decision has yet been made about whether there will be a new generation. The timing of the decision will be such that it will be able to be incorporated into the discussions between the Ministry of Defence and the Treasury in the comprehensive spending review, and that is when the decisions will be made. Finally, the hon. Gentleman is not entitled to come to the conclusion that my answer meant that I did not have a conversation with my right hon. Friend about the content of his speech.

Iraq

5. **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): What the role of British forces is in reconstruction in southern Iraq. [87187]

The Secretary of State for Defence (Des Browne): The Government have an extensive development programme in support of the Iraqi people.

The Department for International Development, with the support of UK forces, has so far committed over £417 million of assistance, including significant investment in electricity infrastructure, raising output and strengthening the grid. In the next six months further projects will deliver a range of basic services, including drinking water, to make a real difference to the everyday lives of the people of southern Iraq.

Mr. Bailey: Does my right hon. Friend agree that in the long run it is essential to build up the capacity of the Iraqis themselves to develop their own infrastructure? What are British troops doing to assist that process?

Des Browne: The key to our withdrawal and that of the multinational forces from Iraq is building the capability of the Iraqi Government, both at national and provincial level, and of the civilian infrastructure, to take responsibility for a range of measures that previously they did not have responsibility for. For example, anybody who has visited Basra and compared it with Baghdad can see what 30 years of neglect by a dictator did for that part of the country, which he determinedly ran down. It is in building that capacity that we will be able to give the people of Iraq a way forward. If my hon. Friend wants an example of what we are doing to encourage that, he needs to recognise that a significant number of very able Ministers in that Government, including the Prime Minister, have been in London today meeting their counterparts and discussing how we can help them. Significant improvements have been made in Iraq. They do not always get reported, and sometimes they are drowned out by the violence, which I acknowledge has been at an unacceptably high and very dangerous level over the past months, but improvements are taking place there daily, and a substantial part of the country has moved forward.

David Tredinnick (Bosworth) (Con): Does the right hon. Gentleman accept that our troops' reconstruction role in southern Iraq has been made much more difficult by the Government's failure to condemn at an early stage Israeli forces' attacks on civilian targets in Lebanon? That is a real concern, because whereas we have no troops stationed in Israel, we have thousands of troops stationed across Arabia, and many of our Arab friends are very angry about the situation. What is he going to do about it?

Des Browne *rose—*

Mr. Speaker: Order. I think that we should stick to southern Iraq. I would have expected the hon. Gentleman to ask a direct question about southern Iraq.

Harry Cohen (Leyton and Wanstead) (Lab): I again put to the Secretary of State the paucity of medical supplies and equipment in Basra's main hospital, of which a lot of Iraqis are dying as a consequence. We have also heard that a number of doctors and medical staff have been killed in the insurgency. It is my position that UK forces should stock up that hospital and, if necessary, take children out of the country to get treatment. Is that his position, and, if it is, why are UK forces not acting?

Des Browne: It is my position that the international community, including the United Kingdom, has a responsibility to support health provision in Iraq, which we have been doing. It is not my position that the answer to the needs of those who should be treated in Iraq is to provide some method of moving them out of the country. That would be no answer to the problems. I accept that people in certain professions have been targeted, including the medical profession, but the answer to that is to work with Iraqi forces and the Iraqi Government at the national and provincial levels, which is what we are doing.

In a meeting today with the Prime Minister of Iraq, I was pleased when he told me that he has implemented proper supervision of the Basra security plan and that he will return to Iraq and visit Basra specifically to send a strong message to those from his community who are involved in the violence that it is unacceptable and that the security plan will address them. The long-term answer is to deliver security for the Iraqi people. My hon. Friend is consistent, but he should recognise the improvements. Although there have been setbacks, there have been significant improvements, too, and he should never underestimate how badly Saddam Hussein treated the people of Basra.

Mr. James Gray (North Wiltshire) (Con): The Secretary of State will, I know, agree that a central part of the reconstruction of southern Iraq, as well as our operations in Afghanistan and elsewhere, is provided by the Hercules based at RAF Lyneham in my constituency? There are currently two problems. First, there are not nearly enough Hercules, despite the extra one that he has deployed to Afghanistan. Of the 47 in the fleet, only 20 are available for purpose at any one moment—five have been deployed in the relief of Lebanon. Secondly, the fleet is at full stretch. Is it not time to consider the provision of extra heavy lift capability, perhaps by chartering a C-17 or an extra Hercules?

Des Browne: As the hon. Gentleman knows, we are looking at additional air support and airlift. However, I am satisfied that we have responded to requests from theatre and provided the assets requested by those in theatre. In my view, that is an appropriate assessment of our capability, and we have not yet found ourselves with insufficient resources.

David Taylor (North-West Leicestershire) (Lab/Co-op): Last week, Premier Koizumi from Japan completed the transfer of the last of the Japanese contingent of 600 ground self-defence forces who have been based in southern Iraq in the city of Samawa and the area around it, notionally charged with humanitarian and reconstruction objectives. Does the Secretary of State feel that our own forces will have to pick up that role and therefore become even more seriously overstretched?

Des Browne: My hon. Friend could not, with respect, be further from the truth. The Japanese, who made a significant contribution in al-Muthanna province in southern Iraq, were able not only to stand their troops down from where they were positioned in al-Muthanna but to send them home because they had achieved their objective. My hon. Friend will have noticed that coincidentally with the Japanese Government's announcement of a drawdown, there was an announcement of provincial Iraqi control—that is, with Iraqis themselves taking over responsibility for security and for the governance of al-Muthanna province. There is no need for any troops from outside Iraq to provide that in al-Muthanna, and that will increasingly be the case across Iraq.

6. **Michael Gove** (Surrey Heath) (Con): What funding allocations have been made for the financing of military operations in Iraq; and if he will make a statement. [87189]

The Secretary of State for Defence (Des Browne): There is no set budget for the future cost of operations in Iraq as costs vary with the tempo of the operation. In his recent Budget, my right hon. Friend the Chancellor of the Exchequer set aside £800 million from within existing public spending plans for 2006-07 to meet the costs of Iraq, Afghanistan and other international commitments. Urgent funding requirements arising from operations are met from the reserve.

If I may be permitted, Mr. Speaker, in that regard I can announce today the conclusions of an urgent review into protected vehicles for operations, particularly in Iraq. We have identified three complementary ways forward, two of which build on and accelerate work that is ongoing, and the third is new. They will be funded from an acceleration of existing funding and, in part, from substantial new funding from the Treasury for Iraq and Afghanistan. I have set out the details in a written statement. Briefly, we are ordering 100 new Vector vehicles, 70 FV430 vehicles beyond the 54 already ordered, and about 100 new Cougar wheeled armoured vehicles for both theatres.

Michael Gove: The Prime Minister recently underlined the threat to our troops in Iraq from Iranian-backed militias and Iranian-supplied weapons. I am delighted that the Minister has today announced that we are going to upgrade the armoured vehicle fleet available to our troops to protect them from that threat. However, the wheeled armoured vehicles that he has ordered will not be ready for deployment until the end of this year. What consideration was given to the procurement of battle-ready RG31 protected patrol vehicles?

Des Browne: We gave serious consideration to all the vehicles that were available. Thanks to the work that we were able to do with the Americans, and thanks particularly to significant work that my hon. Friend Lord Drayson was able to perform, we were able to identify about 100 Cougar vehicles to which the Americans were prepared to allow us to have access. We chose those because up-armoured, with electronic counter-measures added and with Bowman radios fitted, we believe that they would be the best protected mid-range vehicles in theatre. We made an objective decision to choose them instead of the RG31s. Had we chosen the RG31s, we would have had to fit ECMs and Bowman to them and possibly to up-armour them. In any event, the earliest possible time that we can get them into theatre is in the context of the six-month period of the next two roulements for Iraq and for Afghanistan. It physically could not be done any more quickly with any vehicle.

Patrick Mercer (Newark) (Con): The Government have seen fit to finance a reserve battalion for Iraq stationed in Cyprus. The Secretary of State mentioned an unprecedented level of violence, which would seem to suggest that those reserves could be needed at any moment. Almost half the combat power of the 2nd Battalion the Royal Regiment of Fusiliers has been sent to Afghanistan, not Iraq. Have we run out of money or run out of soldiers?

Des Browne: We have not run out of either money or soldiers. My announcement today, coupled with others that I have made about urgent operational requirements for both our theatres, show that, when resources are necessary, we will find them.

The deployment of individual soldiers is a matter for the Army. Identifying the appropriate troops, from whatever service, is entirely a matter for the services.

Mr. Mark Harper (Forest of Dean) (Con): Given the tempo of operations in Afghanistan and the necessary cost that that implies, and given that the Secretary of State has confirmed that, before next year's comprehensive spending review, no strategic defence review or review of defence planning assumptions will take place, is he confident that the Chancellor will continue to fund the current or possibly increased tempo of operations in Iraq and Afghanistan from a special reserve, or will the costs fall on the regular defence budget?

Des Browne: The hon. Gentleman has no reason to believe that the Treasury will not respond to the requests for additional resources for theatre and give access to the special reserve appropriately for them. There has been no occasion on which the Treasury has denied that access and there is no reason for the hon. Gentleman to start baseless speculation that that is likely to happen in future.

Nuclear Deterrent

7. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): Whether the House will have an opportunity to vote on the replacement of the UK's strategic nuclear deterrent. [87190]

The Secretary of State for Defence (Des Browne): The answer is yes.

Danny Alexander: I welcome the decision to allow Parliament a vote. I hope that its timing will allow for not only a full and informed debate in Parliament but proper public consultation. Given that a vote solely on options for a nuclear deterrent would be inadequate, will the Secretary of State clarify whether it will be on the substantive question of whether the UK retains a nuclear deterrent?

Des Browne: I can give the hon. Gentleman a specific and clear answer: there will be a vote. I have not at this stage determined the question. I will not be in a position to help him until the threats, risks, options and costs are worked out and the Government reach a view to inform the debate that is already taking place.

I hope that the hon. Gentleman will not join all the other people who suggest that the Government should not reach a view and that we will have a remarkable debate in this country in which Ministers or the Government are the only ones who are not allowed a view. Every time one expresses anything that approximates a view, everybody suggests that the debate has been closed down. There will be a debate—indeed, it is already taking place—the question will emerge, and there will be a vote on it.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend is right that we should have a vote following a debate. However, the debate should be informed. He has been asked once what estimates he will contribute to the debate. Although he may not have them now, what is his prediction for the month when we will get estimates that allow us all to take part in an informed debate?

Des Browne: A substantial amount of information about the current position is in the public domain. Almost every day, I answer a raft of questions that are designed to tease out individual pieces of information that can inform the debate. The Government's position could not be clearer. We have set a timetable for around the end of the year and we will have an open and transparent debate. The Government have said that we will publish a White Paper to inform the debate. In my view, it must contain the components to answer all the questions, but only once the risks, threats, options and costs have been worked out. What is the point of my standing here speculating until those matters are worked out?

Angus Robertson (Moray) (SNP): I do not want to be too helpful to the Secretary of State but it is obvious to me that the Government will be in favour of a new generation of weapons of mass destruction, that the Conservative Opposition will support the new generation of weapons of mass destruction and that the Scottish National party will oppose them. Would not it be helpful to know the Liberal Democrats' position?

Des Browne: I cannot answer for the Liberal Democrats—they can answer for themselves when the time comes. It comes as no surprise that the Scottish National party is opposed to continuing—if it comes to that—with a nuclear deterrent. The SNP is opposed to NATO. Its defence policy is not clear apart from complaining about British soldiers, whom it does not intend to support in future.

Ian Lucas (Wrexham) (Lab): I warmly welcome the Government's commitment to holding a vote on this extremely important issue; they are not being given sufficient credit for that, just as they were not given sufficient credit for holding a vote on the war in Iraq. We need an informed debate, however, and one of its most important aspects will be the nature of the security threat that this country will face, which will be very different from those that we have faced in the past. What information will Back Benchers be given to enable them to make the correct decisions?

Des Browne: My hon. Friend can look forward to having the opportunity to consider the available evidence on the nature of the risks and threats to our defence and security that we might face over the next 20 to 50 years. It will be the Government's duty to reflect on the full range of threats to the security of the nation, so as to inform the nation and its parliamentarians about the decision that they will need to make on how we configure our defence for that very uncertain future.

Mr. Crispin Blunt (Reigate) (Con): There is consensus between the Government and the Opposition—it probably does not include the majority of Labour Back Benchers or the smaller parties in the House—on the need for a new deterrent, but it will be essential to our debate that we understand the alternatives between what might be described as an expensive option and the cheaper options. Some of the options might have been discarded by the Government when they made their proposals. Will they make it clear to the House what those discarded proposals are, so that we have the opportunity to debate them as well?

Des Browne: I assure the hon. Gentleman that there will be no hiding, discarding or non-publishing of information. The Government want the fullest possible informed debate on this issue. When options are considered and discarded, I will accept the responsibility for explaining why that has happened, if indeed it comes to that. The problem with hon. Members asking such questions at this stage is that I always have to qualify my answers by saying that the risks, threats, options and costs have not yet been assessed, and that no recommendations have been made to any member of the Government. I am therefore not in a position to explain to the hon. Gentleman what the shape of the White Paper will be. However, it seems to me that it ought to take into account the geopolitical side as well as the military issues.

Non-proliferation Treaty

8. **Simon Hughes** (North Southwark and Bermondsey) (LD): What recent steps he has taken to meet commitments under article VI of the non-proliferation treaty. [87191]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The United Kingdom has a proud record on fulfilling its disarmament obligations under article VI of the nuclear non-proliferation treaty, which remains the cornerstone of this country's nuclear non-proliferation policy. Since 1998, we have withdrawn and dismantled the WE177 nuclear bomb and all of our remaining Chevaline warheads. As a result, Trident is now our only nuclear weapons system, and we are the only recognised nuclear weapons state to have reduced to a single platform. These steps have reduced our operationally available stockpile of nuclear weapons to fewer than 200 warheads, which represents a reduction of more than 70 per cent. in the potential explosive power of our nuclear forces since the end of the cold war.

Simon Hughes: I am grateful to the Minister for his helpful and full answer. Following the exchanges between my hon. Friends the Members for Cheadle (Mark Hunter) and for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) and the Secretary of State, and given the principle of irreversibility agreed at the nuclear proliferation treaty conference in 2000, will the Minister tell us whether any increase in the United Kingdom's nuclear capacity would be compatible with our obligations under the nuclear non-proliferation treaty to which he has just referred?

Mr. Ingram: I am grateful to the hon. Gentleman for thanking me for my full answer. He should understand that that full answer means that we will be fully compliant with our international obligations under that treaty. This is why we have been so supportive of the United States' statement on the draft fissile material cut-off treaty, which represented a way forward on these issues. We are leading the way, and seeking new ways to achieve disarmament. I hope that the hon. Gentleman will recognise that and congratulate the Government on all that we have done, and on all that we will do in the future.

Mr. Richard Benyon (Newbury) (Con): On the important matter of the decommissioning of nuclear weapons, will the Minister pay tribute to the work carried out by the thousands of people who work at the Atomic Weapons Establishment at Aldermaston? In the context of the wider debate, will he also pay tribute to them not only for the work that they are doing today but for the work that they have done in the past and the work that they will do in the future to protect this country's security?

Mr. Ingram: The hon. Gentleman makes a very good point, which I sought to answer in an earlier response. This work not only plays an important part in the defence of this country, in our role in NATO and in trying to maintain peace and stability in a troubled globe, but makes a major contribution to the science and technology base of this country. We need only consider the thousands of scientists and technicians who have been through not just AWE but other support elements of the defence industry in this country to recognise the quality and worth of their contribution. They defend us, but they also strengthen our economic and manufacturing base.

Afghanistan

9. **Tim Loughton** (East Worthing and Shoreham) (Con): From what sources additional military helicopters for Afghanistan will be drawn. [87192]

10. **Mr. Andrew Turner** (Isle of Wight) (Con): Pursuant to his oral statement of 10 July 2006, *Official Report*, columns 1132-35, on troop levels in Afghanistan, from what sources additional equipment needs in Afghanistan will be met. [87193]

The Secretary of State for Defence (Des Browne): We will provide two additional CH47 helicopters, one in September and one in October. One will be drawn from the Falklands, and might be replaced by a commercial contract. The other will be drawn from the Chinook-47 deployable pool. Those changes, coupled with recently announced increases in helicopter hours, will give us the flexibility required to meet the demand. Helicopter force levels will remain under constant review.

Tim Loughton: My constituent has just received an e-mail from her brother, who is serving in Afghanistan, which ends:

> "If it weren't for the inherent stubbornness and capability of the honest Tommy to simply get things done, the true professionalism of the best armed forces on this earth coupled with the exceptional efforts of a few exceptional officers, the prospects for this campaign would be bleak indeed".

Does the Secretary of State agree that it is essential that the lives of those brave British Tommys taking part in this vital mission should not be put at risk due to poor availability or poor positioning of essential kit, including helicopters? In that respect, how many helicopters are currently fit for purpose? What is he doing to reduce the number that are currently out of service?

Des Browne: The force that we have deployed in Afghanistan, and the additional forces that I announced to be deployed there, were designed by the commanders and approved by the chiefs of staff. I have not, and nor have any of my predecessors, refused to provide anything that has been requested for our operations in Afghanistan. As the hon. Gentleman will know, we have provided additional support for the helicopter fleet in particular.

Mr. Turner: The mere fact that we are replacing helicopters elsewhere with contractors suggests that there is a shortage of helicopters. I, too, am receiving communications from relatives of people deployed in Afghanistan who are concerned about the level of support. Can the Secretary of State tell me how many other countries in NATO are deploying helicopters in Afghanistan?

Des Browne: If the hon. Gentleman receives such communication, he should pass it on to me immediately, and I will deal with it. I look forward to receiving from him tomorrow the communication that he has received in relation to those matters. The conclusion that he draws about the deployment of those two helicopters is incorrect. The fact that we are deploying helicopters from the Falklands suggests that the military are doing what they do. If resource can be deployed from somewhere else to do that work, that seems to me to be appropriate. Again, if the hon. Gentleman has concerns that come to him from constituents, he should pass them on to me and I will deal with them.

Child Support Redesign

3.33 pm

The Secretary of State for Work and Pensions (Mr. John Hutton): With permission, Mr. Speaker, I should like to make a statement on the Government's plans for reform of the child support system.

Parents, whether they live together or not, have a moral as well as a legal responsibility to support their children. Relationships end, but responsibilities do not. Government and society have a clear interest in ensuring that those responsibilities are honoured. That was the foundation on which the Child Support Act 1991 rested, and I believe that those are the right foundations on which to build any future system of child support. But as we know, despite the best efforts of its staff the overall performance of the Child Support Agency has fallen well short of expectations. When we came to office the agency cost more to run than it collected in maintenance, and it has been taking longer to process claims than the court arrangements that it replaced.

The Child Support, Pensions and Social Security Act 2000 made important changes, simplifying maintenance calculations and allowing parents with care on benefit to keep up to £10 of any maintenance received. Since 1997, the agency has nearly doubled the number of cases receiving maintenance payments. However, as we all know, problems have persisted. Only a minority of cases handled by the CSA receive any maintenance at all. There is a backlog of around 300,000 cases. Debts of over £3 billion have built up, with limited prospects of recovery. There is a net cost to the taxpayer of around £200 million per year. Levels of customer service, although they have improved recently, have never reached the standards of quality and consistency that the public are entitled to expect.

The need for radical overhaul is clear, but I do not believe that the continuing problems are due to a failing on the part of the staff of the agency. Rather, I believe that they are due to a failing of the policy framework, and of the system that the staff are being asked to run. That is why, in February, I asked Sir David Henshaw to redesign our system of child support. He has now presented his recommendations to me. Copies are available in the Vote Office and on my Department's website, together with the Government's response.

Sir David has recommended an entirely new system for child support that will be simpler to use and administer, will be tougher on parents who do not face up to their responsibilities and will make a bigger impact on the reduction in child poverty, while delivering value for money for the taxpayer. His recommendations have four main elements.

First, Sir David believes that the system should focus on tackling child poverty by ensuring that parents with care keep more of the maintenance owed to them. He recommends that lone parents on benefit should be allowed to keep more maintenance through a significant increase in the extent to which child maintenance is disregarded in income-related benefits.

Secondly, Sir David believes that a new system should promote greater personal responsibility by ensuring that, wherever possible, we help parents reach their own financial arrangements for the maintenance of their children. That means reconfiguring advice services to improve the quality and accessibility of information and guidance for parents. Sir David also believes that the Government should remove the requirement that parents with care on benefits make an application for child maintenance through the CSA even when a perfectly satisfactory private arrangement already exists. As a first step towards getting maintenance flowing to children, Sir David recommends that, with up to a fifth of potential child support cases not having their fathers' names on their birth certificates, we should consider the joint registration of births.

When parents cannot reach an amicable agreement, the parents with care need to be confident that the enforcement arrangements will be effective. The third element of Sir David's recommendations is the introduction of new, tougher enforcement powers, including the withdrawal of passports. He also recommends exploring the potential to make better use of existing financial penalties.

Fourthly, Sir David proposes that there should be a clean break with the past. He believes that the delivery of child support requires a fresh start with a new organisation. He believes that there should be no automatic conversion of cases from the two existing schemes to the new redesigned system. Instead, parents wishing to use the new system should be able to reapply. He recommends that there should be a separate residuary body to "manage down" and enforce old debt, and that we should consider how best to give the new organisation power to charge clients for using the new system.

Sir David has consulted widely in producing his recommendations. I am grateful to him for his work, and grateful to all who have contributed to it. As his report shows, tougher enforcement and a substantially higher disregard could increase the number of children receiving maintenance to about 1.75 million, compared with just 1.1 million today. The changes will lift many more children out of poverty, and a smaller, more focused agency that deals with significantly fewer cases will deliver better value to the taxpayer, with administrative costs substantially lower over the long run. Although there is still a great deal of detail to be dealt with, I think it right that the Government should signal their view of the way ahead.

We have decided to accept the principal recommendations. We will therefore bring forward legislation at the earliest opportunity to remove the requirement that all parents with care claiming benefit are treated as applying for child maintenance. We agree with Sir David's recommendation that there should be a higher disregard, but that must ensure a fair deal for taxpayers and avoid sending any signal that families might be better off apart than together, so we intend significantly to increase the level of the current disregard of £10. Details will be confirmed later this year.

Both those changes will help more families to receive more maintenance and reduce the risk of child poverty. They reflect both the rights of children to be properly maintained by their parents and the right of society to ensure that parental responsibilities are properly discharged. We also agree that the delivery of child support requires a fresh start. We will therefore create a

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new organisation to replace the CSA and we will strengthen enforcement powers.

We intend to go even further and seek legislation to strengthen the powers available to the agency to recover maintenance from those who repeatedly fail to pay, including through the imposition of curfews as well as the suspension of passports. We will explore publicising successful prosecutions, including the feasibility of naming those who have been prosecuted. We will continue the CSA's current operational improvement plan, which is already improving our capacity to trace people who owe maintenance and which should see the CSA collecting a further £250 million in unpaid maintenance.

There is still a great deal of detail in Sir David's report that should now properly be the subject of fuller consultation and debate. In particular, we want to consult on the best way to allow existing claimants either to move to private arrangements or to make a claim to the new system. We must ensure that, where people currently receive maintenance through the CSA, they continue to do so, if they wish, under the new system, without disrupting the payment of child maintenance.

We should consult on how best to deal with the legacy of debt that is left, while protecting the interests of both families and the taxpayer. We should also consult on the appropriate role for the courts in the new approach, how to improve parental responsibility from birth—including the possibility of compulsory registration for fathers—and how we can further simplify and improve the current assessment, collection and enforcement processes. We will also consult on the details of any new charging regime.

In advance of legislation, I intend to publish a White Paper later this year, which will set out in greater detail the way forward in all of these areas. In the meantime, I have asked Sir David to report to me on the policy and implementation issues that arise from his first report. During the process of change, agency staff are entitled to expect the full support of my Department, and they will have it. In particular, we will do all we can to help and support staff through the transition to the new organisation and in their efforts to ensure that children and families receive the maintenance to which they are properly entitled.

The original proposals for child support had a wide and broad measure of support in the House, but the consensus on aims was never translated into a consensus on means: we must not repeat the same mistake. That is why I want the new arrangements now be established to command the broadest possible measure of agreement. I believe that there is a clear sense, both in the House and outside it, that our system of child support needs radical change. It must offer better value for money for the taxpayer, enforce the rights of children and the responsibilities of parents more successfully and ensure that families and children in particular do not slide into poverty when parents split up.

I believe that the proposals I have set out today can help us better to achieve those vital objectives, which is why I commend the statement to the House.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): I thank the Secretary of State for his courtesy in letting me have a copy of the statement in advance, although he will understand that we have not yet had a chance to absorb the details of Sir David's report.

I am sorry to tell the Secretary of State that his statement will be a disappointment to the 1.5 million families trapped in the shambles of the Child Support Agency, particularly the 900,000 who are trapped in the old system. The statistics are familiar to the House and the Secretary of State recited them again today, so I shall not repeat them, but what those people wanted to hear today was, above all, a timetable for moving them on to a new system of assessment. What they have got is yet another delay for further reports and more consultation, so they will feel let down once again.

The Government have invested half a billion pounds of taxpayers' money in their redesign of the CSA system and now propose to turn their back on that investment and start again. The headline in press releases this morning is "CSA to be scrapped", but the reality is that the existing, failing CSA will be rebranded and left with its difficult case load while the political spotlight will be shifted to a new body with low costs, no legacy and a carefully controlled onflow of suitable new cases.

We share the Government's stated determination to maintain the obligation on both parents to contribute to the upbringing and support of a child. We also share the view that, where those arrangements can be made voluntarily, they should be. But in the real world, that will often not be the case, and it is not obvious what the incentive of a high benefit disregard will achieve in those cases that are not settled voluntarily. If a CSA application is made, we are back in exactly the position that we are now. If a CSA application is not made, we are back in exactly the position that we are now, with the difference that there will not even be a theoretical accrual of liability by the absent parent to offset the state's payments to support the lone parent and her children. The absent parent will be totally off the hook, so what price the Government's commitment to both parents contributing to their children's support?

Any advantage that the proposed change will bring lies solely in the cases where voluntary arrangements are made. Does the Secretary of State have any evidence about the proportion of benefit cases that that might involve? I note that, when he first referred to Sir David's recommendation to remove the requirement that parents on benefits with care must make a CSA application, he used the phrase,

> "when there is a perfectly satisfactory private arrangement already in place".

But when he went on to announce that the Government would legislate to remove the requirement, there was no reference to the qualifying condition. So perhaps he can clarify whether the requirement will be removed in all cases, or only in cases where there is evidence that a satisfactory voluntary private agreement exists.

I also assume that the higher level of disregard will apply to all payments, not just those made voluntarily. If that is the case, while that disregard may have a significant impact on tackling child poverty in lone parent families, it will not operate as an incentive to agree voluntary arrangements, which I understood to be the Secretary of State's original motivation for using the higher disregard in those cases only.

We have heard nothing of how parents not on benefit will be encouraged to make voluntary arrangements—other than vague reference to a threat to charge for the new agency's services. I suspect that on an otherwise rather dismal day that may be the only thought that raises some merriment in single parent households that are trapped in the CSA bureaucracy at the moment.

Most importantly, the Secretary of State failed to deal with the key issue: the robustness of the assessment process, which was the focus of the 2000 Act reforms—sacrificing precision for simplicity—that are now acknowledged to have failed. Is the right hon. Gentleman really proposing to set up a new body attempting to assess and constantly reassess a payment that is due on the basis of fluctuating or uncertain in-year income? Unless the assessment process is made robust for those difficult cases, no system of collection will be effective. If the value of the claim cannot be accurately assessed on a real-time basis, no enforcement system, however draconian, will work.

There is no reason to suppose that the new agency will be any more successful than the old if it is constantly struggling to establish and maintain an accurate basis of assessment. When the right hon. Gentleman described Sir David's remit as a redesign of the system, I understood that he was prepared to tackle this issue, but there is nothing in the statement on it—nothing, as the product of the past six months' work, except a reference to it as something that requires further consultation and debate. There is no recognition of the fundamental importance of the assessment tool to a robust system of child maintenance.

We will look carefully at Sir David's report and its implications. In the meantime, I have a couple of specific questions for the right hon. Gentleman. Can he give the House an estimate of the cost of the proposals? Obviously, the £200 million that the CSA is collecting for the Exchequer as a contribution to the agency's costs will be lost. In fact, far from scrapping the agency, there will be the cost of maintaining two separate bodies, so can he tell us what the overall cost will be?

Can the Secretary of State also tell us what the programme will be for migration from the existing system to the new system, and over what period that will take place? Presumably, some people will have to remain with the residual agency, as access to the new system will have to be rationed at the outset in order to prevent it from being swamped. How will the Secretary of State deliver a perception of fairness in that migration process, as being on the new system will bring a huge financial benefit but it seems inevitable that that will have to be rationed over a number of years?

Can the Secretary of State give us a bit more of a feel about the level of the disregard? If he cannot give the exact amount of that, can he at least give some indication of it, because it is very difficult to understand the proposals without that? In his comments, he recognised that there is a risk that introducing a large disregard might create a perverse incentive for struggling families to give up and split up. What work has he done to establish to his own satisfaction that that will not result from the changes that he has announced today? Finally, can he tell us who will run this new body? Will they be the same people who run and staff the existing CSA?

We are disappointed by this statement, as will be hundreds of thousands of lone parents. It is mightily thin on substance. It consists of a rebranding exercise with no change to the substantive arrangements in, I suspect, a majority of cases, and that is not a solution for the families involved. We recognise that there is a need to make the system more effective, and to be more pragmatic about ways to increase the flow of maintenance, without losing sight of the underlying principles. Unfortunately however, it is not clear that the proposals address the fundamental flaws in the system. Having just poured half a billion pounds down the drain in respect of the CS2 system, the Government cannot safely move on and start again without being 100 per cent. sure that the real underlying causes of the problem have been identified and fixed.

Mr. Hutton: It is unclear to me—and I suspect to most of my hon. Friends—what the hon. Gentleman's view is of Sir David Henshaw's report, and whether the hon. Gentleman will be able to give any indication today as to whether any of the proposals in it attract his interest or support. I find it bizarre in the extreme that he seems to want us to continue with the existing arrangements, as most of us, irrespective of which party we belong to, know that that would serve only to trap people inside a failing system that is not delivering for parents. [HON. MEMBERS: "That is what the Government are doing."] I note the comments from Conservative Members, so I think that I should send a copy of the statement to the hon. Gentleman again so that he can have another look at it, along with Sir David's report.

These are undoubtedly the most radical reforms to the child support system that any Minister has brought before this House since the establishment of the Child Support Agency. I ask the hon. Gentleman to take a little more time to study the detail of the statement and of Sir David's report. These reforms will address the fundamental flaws in the current system. We are encouraging parents to reach their own agreements—I would have thought, given all the ideological baggage that the Conservative party is keen to lose at the moment, that that at least would be one thing that they would want to support today. But, sadly, we did not hear such words of support.

Mrs. Theresa May (Maidenhead) (Con): Yes, you did.

Mr. Hutton: Well, I do not think any Labour Members heard such words of support for that fundamental change.

We will remove the obligation on all cases; the hon. Gentleman asked about that, and we certainly intend to do that. The maintenance disregard will of course apply only in relation to benefit cases—obviously, it will not apply to other cases. The hon. Gentleman also asked about the assessment process. I think that there is broad support for that; Sir David Henshaw certainly

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found broad support for the reforms introduced in the 2000 Act, and we do not intend to revisit the issue.

The hon. Gentleman asked four specific questions. He asked about the estimate of long-term operating costs. Sir David has estimated that the changes to the administration of child support will probably save us 50 per cent. of the current operating costs of the agency. Of course, there will be other costs associated with making the changes, but they will depend on the detail of the proposals that we bring forward in the White Paper in the autumn.

On migration, Sir David recognised that more work will need to be done on that. I felt that it was important that Members could see the outlines of the new system as soon as possible; that is why I asked Sir David to bring his initial recommendations forward as quickly as possible. He himself recognised that a significant amount of work still needs to be done in that regard. It will be done as a matter of urgency, and I will take it as my responsibility to ensure that Members in all parts of the House have full sight of, and full involvement in, the development of that important work.

The hon. Gentleman asked whether I can give further details today on the maintenance disregard. All that I can say to him and to Members in all parts of the House is that it will not be 100 per cent., because such a figure would send the wrong signal about the balance of responsibilities between parents and taxpayers. Some interesting American evidence shows that, if one focuses more on dealing with child poverty as the principal objective in child support systems, there is, in particular, no discernible impact on incentives to work. That is a very important lesson that we need to reflect on. The hon. Gentleman also asked who is going to run the new arrangements and with the greatest of respect to him, it is just a little too early to name any names in that regard.

Mr. Terry Rooney (Bradford, North) (Lab): May I congratulate the Secretary of State on today's statement? This has been a sorry 15 years of the CSA's history that we have had to bear. Does he agree that the two principal factors that we need to consider are parental responsibility for maintaining their own children and attacking the child poverty target? Does he further agree that the full compliance of parents would have a significant impact on the child poverty figure?

Mr. Hutton: I agree strongly with what my hon. Friend has said. He and the other Members of the Work and Pensions Select Committee made it very clear in their most recent report on the CSA that it really was time for the Government to consider setting up a new organisation that could pursue the very important objectives set out in it. I can confirm to him and to the House that those will be the principal objectives of the new system, and I am confident that, in the light of the arrangements that I have set out today, we can make those responsibilities stick.

Mr. David Laws (Yeovil) (LD): May I thank the Secretary of State for his typical courtesy in making available a copy of the statement and of the documents so far in advance of today's oral statement? May I also congratulate Sir David Henshaw and his team on completing this work in such a short time? Does not the speed of Sir David's work contrast with the Government's own tardiness in dealing with this issue since 1997 and, indeed, since the 2005 general election? I remind the Secretary of State that since that election, we have had a review of the CSA's future, followed by a redesign of the policy on the CSA. We are now being offered today a consultation on the CSA's future, to be followed by a White Paper on the CSA's future. If the Secretary of State's own document is to be believed, that will followed merely by

"an ambition…to see some aspects of the new system in place from 2008".

In other words, what he is offering us today is that, 11 years after his Government came to power,

"some aspects of the new system"

will be in place. Does he think that that is really good enough, and does he acknowledge that his Government have wasted 10 years in dealing with this issue?

Is that point not also reinforced by what Sir David says at the beginning of his own document? He says that he had a very demanding timetable that was

"not sufficient to allow for a full redesign",

but which allowed him to indicate only "the direction" of his new policy.

The Secretary of State said today that the CSA is going to be scrapped, which is what we have heard according to all the spin outside this place. He had previously said that he would not scrap it until he was clear what it was going to be replaced with. What is it going to be replaced with? Is it not astonishing that all that he can say today, in paragraph 55 of his own document, about the CSA's future replacement is that there are a range of approaches that could be taken to the structure of the governance of such an organisation, and that an intensive programme of work will be undertaken, including full consultation with staff, to figure out a way forward? Is it really acceptable that, after 11 years in power—that is how long this Government will have been in power when these measures will, so the Secretary of State says, be implemented—he still does not know what he intends to replace the CSA with?

Is the agency going to remain under the DWP? Is it still going to be run by the existing chief executive, and is it going to be based at the existing locations? If so, is this not going to end up being a re-badging, rather than a fundamental replacement of the existing agency? The Secretary of State indicated that he intends to reinforce enforcement powers. Why has he proposed to introduce curfews for non-resident parents who are not adhering to their child support obligations when that proposal was not made by Sir David Henshaw? Will he tell us how effective that is likely to be? Is it likely to be as ineffective as previous Government gimmicks, such as withdrawing driving licences? That measure was used only 11 times in four and a half years.

We welcome the new emphasis on people making their own arrangements and the higher disregard that Sir David recommended and that the Secretary of State has undertaken to consider, but will he assure us that he will not use a charging mechanism for resident parents who have to use the agency and have had to deal with an incompetent service over the previous 13 years of the agency's life, and who would be astonished to have to pay for the use of this incompetent agency in the future? Have the Government gone far enough in giving the new CSA access to the sort of income details that it would be able to get if it were part of Her Majesty's Revenue and Customs, and the ability to deduct money directly at source?

Today's statement, which was made almost 10 years after the Labour party came to power, contained a set of proposals that seem to amount to no more than re-badging with additional lengthy delay and more gimmicks. Should we not have expected more after 10 years?

Mr. Hutton: I say to the hon. Gentleman what I said to the hon. Member for Runnymede and Weybridge (Mr. Hammond): this is not a re-badging exercise, but a fundamental change to every aspect—root and branch—of the child support system. The hon. Member for Yeovil (Mr. Laws) did not have the courage of his previous convictions and did not repeat his support for the transfer of responsibilities to HMRC. As he will know, that was considered on page 50 of Sir David Henshaw's report and rejected for perfectly sensible reasons. He and his hon. Friends could usefully go away and study that. We cannot solve the problem of the administration by simply relocating it to a different part of Government. That is not the right way to deal with the problems of the CSA, because those problems are not just organisational or administrative. They are much more fundamental than that. That is why Sir David has come to his view that transferring the CSA to HMRC, which I understand is the hon. Gentleman's policy, would not be right. We have no intention whatsoever of taking that course.

The hon. Gentleman berated the Government for taking 11 years to come to this decision. We tried very hard. We have tried repeatedly in recent years to make the arrangements that we inherited work. We have revisited the legislation and invested heavily in support and IT systems for the CSA. It does not work. We should have the courage to say that it is time to turn over a new leaf. That is what I am trying to do. He might catch up with us at some point, but I am afraid that he is significantly behind the curve today.

Most of the changes will require primary legislation. That is why we cannot announce the detail of all of them today. We cannot implement them until both Houses of Parliament have agreed that there should be changes to the primary legislation. That is called the democratic process and the hon. Gentleman will have to take part in that, as everyone else will, and I am sure that we will hear his views in due course.

I have made it clear that the operational details in relation to the structure of the new organisation will be set out in the White Paper. In relation to the enforcement powers, Sir David Henshaw suggested that we take on board the idea of a passport disqualification power and we will certainly do that. He has also made it clear in the report—the hon. Gentleman should study it—that he wants us to consider what further measures might add to the enforcement powers of the Child Support Agency. It is important that we have the powers. They will not necessarily always be used, but they will be a deterrent. That is the point and that is the way in which we should judge the success of all these issues. I want the CSA, now and in the future, to come down like a ton of bricks on absent fathers—it is usually absent fathers, but let us say absent parents—who are not discharging their legal and moral duties to support their children.

We will look for support from both sides of the House to strengthen the enforcement powers of the Child Support Agency, and I am sure that I will have it from my hon. Friends. When it comes to making some of the hard decisions, these guys—the Liberal Democrats—are never to be found anywhere on the premises. Given that, the hon. Gentleman's response is entirely predictable.

Several hon. Members *rose*—

Mr. Speaker: Order. I remind the House that I expect only one supplementary from Back Benchers.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I welcome today's statement and the recognition that too many children are being let down by the agency. Will the Secretary of State expand on his comments about the role of Child Support Agency staff? They are working very hard to implement both the old formula and the new formula, but they will now be dealing with phone calls about his statement and coping with uncertainty about their future in whatever the new structure will be.

Mr. Hutton: I agree entirely with my hon. Friend. Those are major issues for the CSA and its staff to deal with. The Department will be providing all the support that it possibly can to help CSA staff to cope with the changes. She is right that there is likely to be immediate pressure on the staff. It is our responsibility to ensure that we provide every support that we can to them and we will certainly do that. We will consult closely with the trade unions of the CSA and work closely with CSA management and Stephen Geraghty, its excellent chief executive, to make sure that the reforms work in the way in which we intend. There will be full and proper consultation with all stakeholders, including the CSA staff themselves. Incidentally, the staff are doing a brilliant job for all of us, so it is our responsibility to support them to the fullest possible extent.

Mr. Eric Pickles (Brentwood and Ongar) (Con): The Secretary of State said that he wants to come down like a ton of bricks on parents who do not contribute, but does he understand that the important thing is to get the infrastructure in place so that offices can talk to offices, e-mails can be answered, telephone calls can be returned and thousands of files do not just disappear as clerical files? He will recall that I wrote to him recently about a case, on which he kindly intervened. The senior resolution caseworkers have been involved, as has the hotline, but the case is stuck in Preston in a file that no one can see. Does the suggestion that there will be no automatic conversion of cases mean that my constituent will have to start again? She and her family have been deserted by a deadbeat father. How can I explain to her that the Government have now deserted her?

Mr. Hutton: I will take further interest in the case that the hon. Gentleman cited, but I hope that he will make it clear that we are not deserting families. It is necessary to replace the CSA with a new organisation for reasons that are pretty widely accepted across the House, despite the comments of the hon. Member for Runnymede and Weybridge. In the intervening period, it is important that we do all that we can to support people, such as the constituent of the hon. Member for Brentwood and Ongar (Mr. Pickles), who are not getting the support to which they are entitled from the CSA.

By the way, we are investing another £120 million over the next three years in trying to deal with this and other related ongoing problems of the CSA. We are in no way walking away from the problems in the CSA that are there for us all to see. If the hon. Gentleman wants to confirm the details of the case to me again, I will certainly take a personal interest in it.

Lynda Waltho (Stourbridge) (Lab): I was pleased to hear several of my right hon. Friend's comments, but may I return to the staff? Many of my constituents and those of my hon. Friend the Member for Dudley, North (Mr. Austin) work at the Dudley call centre. Many are women, some of whom are lone parents with family responsibilities themselves. I met several over the weekend who were concerned about what was coming out in the press and worried about what might happen to their jobs. Will my right hon. Friend take this opportunity to congratulate those staff on their work and diligence up to now? They have coped with all sorts of reorganisations and their stress levels have reached the point at which many of them have become ill. They have sometimes suffered abuse from parents who have become upset on the other end of the phone. Will he not only congratulate the staff, but reassure them about their employment prospects for the future?

Mr. Hutton: I am happy to do that. The staff of the CSA do an immensely difficult job, often in difficult circumstances. It is incumbent on all of us in the House to do all that we can to support them in discharging the functions that we ask them to deliver on our behalf. As I said, we will certainly be working closely with the trade unions and the management to ensure that the reforms are a success. CSA staff have coped with major change before, so I am confident that they will be able to do so again.

Alistair Burt (North-East Bedfordshire) (Con): I listened to the Secretary of State with great care and with no little sympathy, as he would understand. Although he might have been irked to some degree by the reservations of my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), I am sure he will recall that one of the reasons we are in the mess we are in is that the House was far too consensual during the passage of the legislation. The Secretary of State will be helped rather than hindered if careful and serious questions are asked at the earliest possible stage.

In ensuring that the levels of maintenance, even under voluntary arrangements, do not go back to the original derisory levels that caused the CSA to intervene, does the Secretary of State intend to venture into the difficult territory of the relationship between access and maintenance, or will the new agency or new arrangements maintain the rigid separation between the two? Over the years, the difficulties of those two issues coming together have led to much unhappiness in the way in which child support is handled.

Mr. Hutton: I am grateful to the hon. Gentleman for his comments. I was not irked by the remarks of the hon. Member for Runnymede and Weybridge; I was just rather disappointed by them because he has not recognised the seriousness of our proposals. I hope that he will come to do so in due course.

We will keep custody and maintenance strictly separate. It is essential that we do so. I understand that in the heat of separation there are often difficulties around custody and access to children, but if we confuse the responsibility of parents to support their children financially with other issues, we will take a giant step backwards. We will not blur that distinction. As the hon. Member for North-East Bedfordshire (Alistair Burt) was one of the principal architects of the original scheme that we are trying to fix, I am sure that he will play an important role in our proceedings in the House.

Mr. Frank Field (Birkenhead) (Lab): In congratulating the Secretary of State on his courage in making today's statement, may I make a plea for taxpayers? Since the Government rejected ministerial advice that the current system was not reformable, we have asked taxpayers to foot a bill of £50 billion for single-parent families. Does he accept that the more generous we are with the disregard under the new scheme, the bigger that bill will remain for individual taxpayers, and the more generous we are in the disregard, the more likely it is that some families will decide that it pays to pretend that they have split up, claim benefit and continue as they were? Are we not all wiser about the extent to which fraud can be committed from the response that we saw to the tax credit system?

Lastly, I make a plea that the Secretary of State keep together payment of maintenance and access. Many males who want to see their children and who regularly pay their maintenance feel that that is not taken into account fully in court. It is surely a sign of their good character that they have no access although every week they pay.

Mr. Hutton: I accept my right hon. Friend's caution about the level of the maintenance disregard. I assure him that we intend to proceed very carefully in that regard. It is fundamental to the reforms, however, that if we want to move to a system whereby we encourage and, yes, incentivise couples who are separating to reach their own financial arrangements on separation, we will necessarily have to look at being more generous in relation to the income support rules. That is what we intend to do. As I said clearly in my statement, we are not moving to 100 per cent. maintenance disregard, because that probably would hold out the prospect of some of the perverse consequences to which he alluded.

Mr. Gregory Campbell (East Londonderry) (DUP): Is the indication in Sir David's report of possibly reaching a maintenance figure of 1.75 million children, most of whom live in poverty, as distinct from the 1.1 million currently reached, to be a Government target? If so, when can we expect it to be reached? In addition, will there be recruitment to the new agency or new organisation that replaces the CSA? If so, will the Secretary of State ensure that the Government do their best to ensure that recruitment to those employee levels in Northern Ireland reflects the community, unlike the situation in the recent past?

Mr. Hutton: We are not planning any immediate changes to the targets that we set for the CSA. The figures to which the hon. Gentleman refers, and which Sir David mentions, are the likely consequences of moving to the new arrangement once we have passed primary legislation and established the changes. It is too early for me to say whether we will then want to set a target along the lines set out in Sir David Henshaw's report. There is an ongoing process across government whereby public agencies sign up to agreements and targets.

In relation to the hon. Gentleman's final point about recruitment, with the greatest respect, it is too early to be clear about all the details. Clearly, if the CSA is in the business of recruiting to the new organisation, that recruitment must be ethical, legal, fair and balanced across the United Kingdom, and it will be.

Miss Anne Begg (Aberdeen, South) (Lab): I congratulate the Minister on being bold, because it is often difficult for a Government to admit that they have perhaps been throwing good money after bad and to conclude that the time has come to draw a line and start afresh. That was certainly the conclusion to which the Select Committee came: it was a failing agency and something radical and different had to be done—so well done on that. However, does my right hon. Friend have any advice for non-resident parents who on hearing the statement today and as a result of some of the headlines may think that there is no Child Support Agency and that therefore they have no responsibility for their children in the interim, and might be tempted to stop paying?

Mr. Hutton: I have one very clear message: the law will be enforced. That is why we are taking new and additional powers. We are investing more in the organisational improvement programme to speed further the recovery of unpaid maintenance. I want non-resident parents to hear today the very important message that, until we make the changes, the current law will be enforced rigorously and effectively. As I said, we will throw the book at people who are holding up two fingers to society and their families in not discharging their financial responsibilities.

Mr. John Maples (Stratford-on-Avon) (Con): The CSA has been particularly hopeless in dealing with the cases of self-employed fathers who seem to manage to live extremely well on negligible incomes and who change some minor aspect of their affairs when they are in danger of being caught up with in order to be put back to the bottom of the heap. I am sure we all have experience of that. Is the Secretary of State confident that his new system will be able to deal with that problem?

Mr. Hutton: I greatly respect the hon. Gentleman and his knowledge of these matters. Sir David Henshaw did not make any specific proposals on the treatment of self-employed people, but I have a strong feeling that we shall have to return to that matter when the primary legislation is introduced in the House at the earliest opportunity.

Mr. Dennis Skinner (Bolsover) (Lab): Will the Minister confirm that when the Tory Prime Minister of the day, John Major, introduced the scheme he was at the same time toying with the idea, which he carried through, of the traffic cone hotline? Will he also confirm that we used to have large lobbies of people outside the House of Commons? One day it was against the CSA; I went out the following day and asked the policeman on guard, "Who's this lobby, then?" He said, "This is the police against the CSA." It was at that point that I realised that it was time the agency was scrapped, and my friend Bob Cryer and I voted to scrap it. It is interesting to note that the Liberal leadership were not with us.

Mr. Speaker: Order. I call Mike Weir.

Mr. Mike Weir (Angus) (SNP): As a former solicitor, I cannot help feeling that we are going back to the system prior to the CSA. None the less, subject to the details of this step in the right direction, we welcome the statement. We are concerned that there is no automatic transfer to the new agency and fear that there may be pressure to start some cases again from scratch. Will the right hon. Gentleman assure us that there will be no delay in dealing with new cases? Who will decide what is a perfectly satisfactory private arrangement, and will it be as enforceable as an old court decree used to be?

Mr. Hutton: I reassure the hon. Gentleman that we are not returning to the previous CSA arrangement, where exclusive responsibility resided with the courts to recover maintenance. That is definitely not what Sir David is recommending and not what we are proposing today. On maintenance agreements, it will be for the parents to reach their own agreement on what they feel is appropriate in the case of their separation and family situation, but if they cannot reach an agreement or the agreement breaks down, it will be the responsibility under the new arrangements of the CSA to step in and to enforce the agreement according to the proper formula in statute. We are mindful of the need to ensure that there is no abuse of women in particular and of parents with care in those arrangements, but I am grateful to the hon. Gentleman for indicating in principle his support for the direction of travel.

Tom Levitt (High Peak) (Lab): One or two hon. Members have talked about the new system being deluged, but I do not think that will happen. Those who were failed by the first system and then failed to migrate to the replacement system will think twice before jumping on board any new system until it has had time to prove itself and if by then they are within two or three years of finishing with the CSA, perhaps they will not even apply at all. They want proper, objective assessment and robust enforcement, and

[Tom Levitt]

once that has been proved over a period of time there will be voluntary transfer from the old system to the new.

Mr. Hutton: I am grateful to my hon. Friend. On his latter point, I can confirm that we want the system to be robust, and we want people to know that the CSA will be a serious enforcer of parental responsibilities. That is not how people view the current arrangements, and it is that fundamental perception, and indeed the reality of the present situation, that we have to change. The proposals will help us to do so.

Justine Greening (Putney) (Con): Can the Secretary of State confirm that three systems will be used to manage child support payments? As single parents make the depressing choice to go back to square one and reapply under the new system, at what stage will the Government close down the old systems on which so few people are left? Have the Government assessed how many people will choose to go on to the new system and to go back to square one and reapply?

Mr. Hutton: I know that the hon. Lady is a member of the Select Committee but, in fact, there are three systems now in operation: the old scheme, the new scheme, and the hybrid scheme for cases with which the IT cannot cope, so we have to deal with them manually. In future, there will be one scheme, not three, once we make the changes. That will significantly increase people's understanding of the system and its clarity. She asked me for a specific figure, but I cannot give one today; we have to undertake work before the publication of the White Paper, but when we produce it in the autumn, I hope that it will deal specifically with those issues. In the meantime, Sir David Henshaw will continue to work with us to make sure that we get the operational design of the new system right, and I am very grateful to him for that. I hope that she will find the answers that she is looking for in the White Paper.

Mr. Mark Todd (South Derbyshire) (Lab): May I particularly commend the steps to encourage voluntary agreements between parents? Will my right hon. Friend set out in more detail the measures that he has in mind, including advice and other services for parents? Will he bear in mind, too, the durability of such agreements, in the face of the evidence of fractured relationships, and changed and new relationships that establish completely different household incomes, and that require a complete reassessment?

Mr. Hutton: My hon. Friend makes an important point. Sir David has recommended that the CSA of the future develop more of an advisory and help and support role for couples who are splitting up and for families in those circumstances. It is important for those people to be given proper financial advice. On my hon. Friend's latter point, the way forward that Sir David identified will be partly through the more generous maintenance disregard, which he believes—and I think that he is right—will encourage and incentivise more sustainable and durable financial agreements between separating couples. That is the direction of travel that Sir David believes it is right to follow, and he is absolutely right.

Mr. Philip Dunne (Ludlow) (Con): I think that members of the Select Committee on both sides of the House are pleased that the Government are finally addressing the crisis in the Child Support Agency. I am concerned about two issues: first, the extent to which the Government failed to address the amount of debt that they must write off for the CSA; and, secondly, the apparent inconsistency between increasing voluntary arrangements—I think that everybody would support that—and the proposal to start charging parents who have to use the new CSA replacement. Aside from the fact that the modest incentive of avoiding a charge might encourage voluntary arrangements—that I can understand—will the Secretary of State explain how parents who are not prepared to accept a voluntary arrangement, and their children, will benefit if the parents are charged to use the service?

Mr. Hutton: I am grateful for the hon. Gentleman's overall support. On debt, which I covered in my statement, we would need primary legislation for any debt write-off, and we are still looking into that. In the meantime, we are investing significantly more in the current operation, so that we can use more specialist debt recovery and debt enforcement agencies, mainly in the private sector, to recover more of the debt. That is beginning to produce results. On charging, I am not thinking of charging the mother but the non-resident parent who is failing to comply with the obligation to pay maintenance. It is important that we do not penalise the parent with care in those circumstances. The details of the charging regime will be set out in due course.

Ms Sally Keeble (Northampton, North) (Lab): In the context of his welcome new proposals, can my right hon. Friend say how he foresees new family relationships being dealt with? I have often found that the objections to the CSA proposals and the pursuit of absent fathers come from mothers in a new relationship and the impact that the payments have on the family income.

Mr. Hutton: That is getting us into complicated sets of issues to do with relationships between separating couples and their new families. It is work that will need to be examined in the context of the White Paper. We need to look in particular at Sir David Henshaw's proposals to develop the new advice, guidance and support service for the CSA.

Paul Rowen (Rochdale) (LD): The Secretary of State rightly said that the proposals would take time, and in the meantime the law will be enforced. Has he any interim proposals to improve the operational ability of the CSA to ensure that the 300,000 claimants are dealt with much more quickly?

Mr. Hutton: Yes. We published the details of those plans in February and I will happily send a copy to the hon. Gentleman.

Clive Efford (Eltham) (Lab): Any of us who have struggled with the CSA will welcome my right hon.

Friend's statement. Does he agree that unless we can deal with people who can make a modicum of change in their financial arrangements—that is, if they are self-employed or if they have a sympathetic employer—the enforcement powers included in his statement will not be worth the paper they are written on? May I urge him to test his enforcement powers against some of those cases? If he would like a few case histories, I am prepared to provide some from my constituency. The CSA fell down most in that respect and we must get it right now.

Mr. Hutton: We could probably all add to my hon. Friend's list of cases where we have seen the system fail. We must develop the proposals for primary legislation at the earliest opportunity—in the next Session of Parliament, I hope. My hon. Friend and others will then be able to judge whether the strengthened enforcement powers, which I would very much like to be available to the current CSA ahead of any change, are worth the paper they are written on. I will not waste the time of the House with powers and new enforcement roles that I do not believe will make a ha'p'orth of difference. I believe the new powers will make a difference, and as I said to the hon. Member for Stratford-on-Avon (Mr. Maples) earlier, we must look again at how self-employed people are treated under the current rules.

Jeremy Wright (Rugby and Kenilworth) (Con): Notwithstanding the understandable nervousness of the Secretary of State about linking contact and financial support, have the Government recognised the practical advantages of deciding issues of financial support within the same framework as issues of contact and residence when, after all, members of the family are deciding all matters in relation to the future of the family?

Mr. Hutton: That sounds to me like a request that we go back to the courts having primary responsibility for dealing with these matters. I see that the hon. Gentleman is agreeing with me. That is not what Sir David Henshaw is recommending and it is not what the Government believe to be the right way forward. As the hon. Gentleman knows, there are proposals before the House to re-examine the matter of contact orders. That legislation is still progressing, and I am sure he will have the opportunity to make such comments in that regard.

Michael Jabez Foster (Hastings and Rye) (Lab): I congratulate my right hon. Friend on grasping the nettle and appreciating at last that tinkering with Tory failure will seldom produce an outcome. My constituents who run the CSA in Hastings—the many hundreds there—will be worried, as my colleagues have said. When will my right hon. Friend be able to say what the alternative will be, where it will be carried out and when their jobs can be made secure?

Mr. Hutton: I hope and intend to set out the details of that in the White Paper in the autumn. I have been to Hastings and met many of my hon. Friend's constituents. They are doing a very good job in difficult circumstances. I do not want to add to the difficulties that the agency is experiencing, but we need to spend the next few weeks getting it clear with the staff, the management and others how the new arrangements will work. That will be time well spent, but there will be full and proper consultation with all the relevant trade unions.

Tony Baldry (Banbury) (Con): When parents separate, it is often difficult to come to voluntary agreements because the professional organisations that they go to, such as solicitors, are confrontational, rather than helping them to come to an agreement. Will the Secretary of State consider giving some funding to organisations such as Relate and Citizens Advice to help set up volunteer but trained mediation services to help parents who might want to reach a voluntary agreement at that time to find the mechanism, skills and process by which they could come to such an agreement that would stick?

Mr. Hutton: I am interested in exploring all those options. They are primarily matters for the Secretary of State for Constitutional Affairs, but we will need to look at that in more detail as we prepare the White Paper.

Mr. Russell Brown (Dumfries and Galloway) (Lab): I congratulate my right hon. Friend on making such a bold step forward after so much of a problem, which we have all faced as constituency Members. Given the rigidity of the current system, whereby individuals who work so hard for the CSA basically operate within boxes and anything outwith the parameter of the box is a nightmare for them to cope with, can he assure the House today that the new system will have flexibility, and that common sense will prevail in running the system?

Mr. Hutton: Yes, that is very much what we would like.

Point of Order

4.30 pm

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): On a point of order, Mr. Speaker. On 25 July 2005, I wrote to a Minister in the Department for Environment, Food and Rural Affairs about an issue that is of great concern to a number of my constituents. Last week, on 19 July, I received a reply. The earth has done a complete orbit of the sun in the time that it has taken for my reply to arrive. I know that as the summer recess is about to begin this is a difficult time to raise this point of order, but would you, Mr. Speaker, use your good offices to explain to Departments how embarrassing it is for Members to have to write repeatedly to constituents to apologise for not having received a reply over such a long period?

Mr. Speaker: The hon. Lady is very lucky that she got a reply. Many hon. Members have told me in points of order that they have not received a reply. I do not know the quality of the hon. Lady's reply, but I hope that it was good. *[Interruption.]* The hon. Lady says that it was not. I can tell her that the Leader of the House and I are working closely to try to improve the time that replies to questions take so that Members receive them within a reasonable period. I hope that after the recess things will improve, and that that will help the hon. Lady's constituents.

Orders of the Day

Welfare Reform Bill

[Relevant documents: The Third Report from the Work and Pensions Committee, Session 2005-06, HC 616, on Incapacity Benefits and Pathways to Work, and the Government's response thereto, Cm 6861.]

Order for Second Reading read.

4.32 pm

The Secretary of State for Work and Pensions (Mr. John Hutton): I beg to move, That the Bill be now read a Second time.

The reforms in the Bill set a new direction of travel for our welfare system. They are underpinned by a belief in an active enabling welfare state that sees tackling poverty and social exclusion as its central mission, with no one left behind and no one written off. The Bill therefore marks a major shift away from the established orthodoxy of welfare provision in our country, which has always treated functional limitations as automatically disqualifying people from the world of work. That is based on a flawed analysis of the nature of disability and the rights of disabled people, and it is time we changed it.

The Bill before us today therefore signals a new approach. It offers new support in return for new obligations for people to help themselves, and it delivers on our manifesto commitment to reform incapacity benefits while ensuring security for those who cannot work. Together with the wider welfare measures set out in our Green Paper, the Bill continues a process of reform that has sought to lock in the right set of values: of universality and opportunity; of security and equity; of fairness and due process—values that stretch back to Beveridge—under which the right to work is fundamental in tackling poverty and building aspiration for everyone in our society.

When we came to office nearly 6 million people in Britain were dependent on benefits. Between 1979 and 1997 unemployment went up by 50 per cent., and in a world where discrimination already scarred the lives of many disabled people and older workers, the numbers claiming incapacity benefits trebled, while 3 million children were left to live in poverty. I make no apology for reminding the House of those grim and shameful statistics. They set the context for the challenge that we now face, and they teach us valuable lessons about the role of the welfare state in today's society.

Through the minimum wage and tax credits, we have tried to make work pay, and through record investment in the new deal and Jobcentre Plus we have begun to create an enabling welfare state that tries to respond to the needs of individuals and matches rights with responsibilities.

Today, as a result, there are more people in work than ever before—2.5 million more than in 1997, with the biggest increases in the neighbourhoods and cities that started in the poorest position. Overall, there are 1 million fewer people on benefits, and 2 million children and 2 million pensioners have been helped to escape the poverty line. As last month's Organisation for Economic Co-operation and Development report showed, not only do we have the highest employment rate among the G7 countries but, for the first time in 50 years, we have the lowest combination of unemployment and inactivity rates.

Of course, there is more that needs doing. The challenge that we face today is how to build a modern welfare state that allows people to exercise their fundamental right to work, when our economy and our society are changing more rapidly than at any time since the industrial revolution. While the pace of such change can seem daunting or even terrifying, the forces that lie behind it, in my view, represent progress, not decline, and they hold out more opportunities than threats. If we can take full advantage of them, they will extend the chance to reduce poverty and social exclusion in our society.

We must act to meet that challenge, which is why we have set ourselves the aspiration of an 80 per cent. employment rate, with 1 million fewer people receiving incapacity benefits, 1 million more older people in work and an extra 300,000 lone parents off benefit. That is why we are taking forward through secondary legislation the measures in our welfare reform Green Paper to provide more support to lone parents and to break down the barriers experienced by older workers. And that is why we have introduced the Welfare Reform Bill, which will enact crucial elements of the proposals that we set out to the House in January.

Mr. Gordon Marsden (Blackpool, South) (Lab): My constituency is 15th in the table of constituencies with the highest number of incapacity benefit claimants, so I welcome the attempt to get more people into work. Does my right hon. Friend agree that a key aspect of the process involves changing attitudes among some employers towards the employment of people with disabilities? A written answer in the other place recently stated that 15 per cent. of disabled people of working age who want to work are not in employment, compared with 4 per cent. of the non-disabled working age population. Does my right hon. Friend agree that that must be a key aspect of the welfare reform programme?

Mr. Hutton: I agree that that is true. However, we are making steady progress in bringing to the attention of employers the tremendous pool of skilled labour available among people who are claiming incapacity benefit. It is a mischief and a mistake to assume that if a person is on incapacity benefit they have no skills, talents or opportunities—far from it. I have been tremendously encouraged by the agreements that we have reached with major national employers that are prepared to offer people on incapacity benefit a second chance to return to the labour market. We want to see more such agreements, and we will do everything we can to speed up the process.

Mark Pritchard (The Wrekin) (Con): How will the Bill help the unemployed in Shropshire? In the past year unemployment in the county has risen by 30 per cent., and it is rising in the west midlands, too. Is it not the case that unemployment is now at a four-year high? How will the Bill help those people?

Mr. Hutton: Unemployment is a lot lower than it used to be, when the Conservative Government were in office. Labour Members remember that unemployment twice reached 3 million under the stewardship of the Conservative party.

The hon. Gentleman asks what the Bill will do for jobseekers. The Bill primarily focuses on the needs of people who currently have some functional limitation and are unable to work. The thrust of the proposals is to encourage the speedy return of those people to the labour market. Any of the hon. Gentleman's constituents who currently claim incapacity benefit will have access, in the next 18 months to two years, to the pathways to work programme—the first attempt by any Government, Conservative or Labour, to do something practical and positive for people who are out of the labour market because of incapacity and who desperately want to return to it.

Tony Lloyd (Manchester, Central) (Lab): My right hon. Friend knows that I support the Bill. Will he accept that this is a unique opportunity to create a new consensus that belies the rather carping intervention by the hon. Member for The Wrekin (Mark Pritchard), and which states that we agree about the right to work and the duty to work? It is the Government's role to provide the facilities to allow people to work and to ensure that employers can cope with the extra needs of those who are currently on incapacity benefit and who should be able to work. However, such a consensus will work only if the Opposition parties endorse my right hon. Friend's strategy.

Mr. Hutton: I hope we will see that later. Certainly, it has been indicated so far that Opposition parties broadly support the proposals in the Green Paper.

Mr. Sadiq Khan (Tooting) (Lab): Not the Liberal Democrats, surely.

Mr. Hutton: I understand that that is in fact the case—*[Interruption.]* I should ask some of my hon. Friends to write my speeches for me, as they would be much more entertaining.

Mr. Mike Weir (Angus) (SNP): I am interested in the Minister's comments. I agree about the need to work with employers to get more disabled people back to work. However, one of the things that struck me about the Bill was the lack of any clear idea of how people will be helped once they have obtained a job, rather than in getting a job. Many people, particularly those with mental disabilities, require long-term help after they have been appointed to a job. Can the Minister tell us about his proposals in that regard?

Mr. Hutton: That is precisely what pathways to work currently provides. It is true that the details of that are not spelt out in the Bill, but we recognise the need for the Department and for Jobcentre Plus to provide such ongoing support. In Scotland there are now fewer people claiming incapacity benefit than there were in 1997.

Tom Levitt (High Peak) (Lab): Will my right hon. Friend take this opportunity to congratulate the staff of the Glossop and Buxton jobcentres, and others throughout Derbyshire and in the other five pilot areas, on pathways to work? In my area they have vastly

[Tom Levitt]

exceeded expectations not only in getting back to work many people who were not expected to be in the programme, but also in providing much job satisfaction for jobcentre employees.

Mr. Hutton: I am happy to congratulate those staff. I visited the pathways to work scheme in Derbyshire a few months ago; it has probably been one of the most outstandingly successful examples of how this type of intervention can work. What was significant in Derbyshire, as we heard a few minutes ago, was that cognitive behavioural therapists were directly employed to fast-track the provision of help and support for people with mental health problems, to give them the self-confidence to represent themselves to employers and to secure work—and many have succeeded in doing so. That is a model of what more needs to be done, and what we are keen to extend across the country.

Mr. David Marshall (Glasgow, East) (Lab): I am grateful that my right hon. Friend took the time to visit Glasgow and see at first hand the terrible problems facing the city. As he knows, my constituency has the highest number of people on incapacity benefit in Great Britain: more than 11,000 of the tragic Glasgow total of 60,000. Is he aware that the working links pilot in Parkhead and the partnership action team for jobs in Glasgow, East have come to an end despite being very successful? Will he consider extending those two projects to work in tandem with his reforms, in order to tackle successfully the most serious problem in my constituency and other constituencies in Glasgow?

Mr. Hutton: My hon. Friend is right to draw attention to the problem facing many people in Glasgow who are on incapacity benefit and want the opportunity to work again. I know how actively he is involved with this issue in Glasgow, where, in conjunction with the city council and local employers, a huge amount has been done to move people off incapacity benefit back into employment. Some 11,000 to 12,000 people in Glasgow have been helped to re-enter the labour market over the past few years. That is a great tribute to Jobcentre Plus, local employers and the local authority.

We took the decision to end action teams and roll up funding into a new deprived areas fund, which will allow access to a similar level of resources to support such initiatives in my hon. Friend's constituency. I am sure that local Jobcentre Plus staff would be happy to explain to him how they are taking that forward.

Mr. Khan: My right hon. Friend knows that more and more people cite mental health problems as the chief reason for claiming incapacity benefit. Will he confirm that the new personal capability assessment will be more sophisticated, the better to identify people with mental health conditions and tailor the help that they require more effectively?

Mr. Hutton: That is our intention. We have convened several groups involving mental health stakeholders to work with us to design a better, more accurate and fairer assessment of people's mental health problems when they present with a claim for employment and support allowance. It is important to find a way forward. The fact that the current arrangements do not do that properly has been the subject of continuing concern. We are anxious to try to find a way of resolving it.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Does my right hon. Friend agree that the public sector has a huge role to play in helping people get back into work? Indeed, Lancaster city council has been involved in projects for the long-term unemployed. Does he also accept that it is sometimes difficult for private companies, which are small businesses, to employ someone who has, for example, been on incapacity benefit and may require several days off sick because of a genuine illness? That is sometimes one of the biggest barriers to people going back to work. Are there any measures to deal with illness once someone returns to the workplace, and with the need for time off?

Mr. Hutton: That is a genuine problem. However, it does not lend itself to any quick legislative fix. The Bill contains nothing that would directly tackle the concerns that my hon. Friend raises. We have responsibilities in Jobcentre Plus to ensure that we do everything we can to support people with mental health problems in staying active in the labour market. We will continue to discuss with my hon. Friend and others ways in which we might improve on those methods.

Mrs. Madeleine Moon (Bridgend) (Lab): Bridgend has been an incredibly successful pathways to work pilot scheme area. Unemployment is 2.6 per cent., with fewer than 1,200 unemployed, but more than 5,000 people are on incapacity benefit. On Friday, my hon. Friend the Member for Ogmore (Huw Irranca-Davies) and I met the mental health matters group from Bridgend. Its members were worried about whether the personal capability assessment recognised that their capacity to cope changes daily. Even a change in medication or moving to a cheaper brand of medication can affect their performance and capacity to attend for interview. Will that be taken into account, and not lead to people losing their right to benefit because of a fluctuation in capacity?

Mr. Hutton: It is important that the personal capability assessment is more than a snapshot. It is especially difficult to craft the assessment as my hon. Friend suggests for those who are mentally ill. We are working hard to try to reach agreement on the best way forward and we will continue to discuss that fully with all the relevant stakeholders. We need employers to co-operate with Jobcentre Plus, and I strongly believe that the evidence shows that they are willing to do that. My hon. Friend referred to pathways to work, which has been another great success in south Wales. I hope that we can build on that.

Mr. Mark Francois (Rayleigh) (Con): I thank the Secretary of State for his courtesy in giving way. Clauses 41 and 42 refer to recovering overpaid benefits. In his statement an hour or so earlier, he announced that the Child Support Agency would no longer be with us. As a critic of that agency for many years, I am pleased that it will finally be buried, even if the funeral is somewhat delayed. We are clearly dealing with some sensitive client groups in recovering those overpayments. Although the taxpayer must be protected, will the Secretary of State give some assurance that his officials will handle those cases sensitively and with appropriate discretion?

Mr. Hutton: Yes, of course.

Part 1 provides for the new employment and support allowance, which will replace the current system of incapacity benefit. It places additional requirements on new claimants to be actively engaged in preparing for a return to the labour market in return for new support, by embedding the values and principles of the successful pathways to work pilots into the structure of the new benefit. We know the difference that pathways to work can make. In the first year of the pilots, the number of recorded job entries for people with a health condition or disability had increased by approximately two thirds compared with the same period the previous year. The pilots' continued success has driven a significant increase in the proportion of people leaving incapacity benefit in the first six months of their claim, compared with that of non-pilot areas. This early success has underpinned our achievements in helping people off incapacity benefit, with new cases down a third since 1997, and with the first falls in the total count, now down 61,000 in the year to November 2005.

Mr. Weir: Will the Secretary of State give way?

Mr. Hutton: Not at the moment.

At present, nine out of 10 people who come on to incapacity benefit expect to get back into work. Yet as we all know, if they have been on incapacity benefit for more than two years, they are more likely to retire or die than ever to get another job. Little is expected of claimants, and almost no support is offered to them. The gateway to the benefit is poorly managed, and a person gets paid more the longer their claim continues. Even the name of the benefit sends a signal that a person is incapable, and that there is nothing that can be done.

The Bill seeks to change that. It provides for a transformed medical assessment as the gateway to the new benefit, with an assessment process that for the first time properly looks at a person's potential capability to engage in the labour market, rather than simply measuring the level of their incapacity. It provides for a new benefit system founded on the concept of measuring and building up each individual's capability rather than writing them off as incapable, and a radical extension of the support available, which will be underpinned by the extension of pathways to work to every part of Britain by 2008.

We are continuing to review the design of the new medical assessment, and we are particularly conscious of how important that process is for people with mental health problems and learning disabilities.

Mrs. Ann Cryer (Keighley) (Lab): The National Audit Office has found that 77 per cent. of cancer patients are not given information about the financial support to which they might well be entitled. Will my right hon. Friend comment on whether Jobcentre Plus staff will now routinely ensure that such advice is given to cancer patients?

Mr. Hutton: We do all we can to bring an entitlement to benefit to the attention of such people, but I will reflect on what my hon. Friend has said and see whether there is anything more that we can do. We are not in the business of giving advice, but it is our responsibility to ensure that people are at least aware of the various entitlements that might be available to them.

John Robertson (Glasgow, North-West) (Lab): I know that my right hon. Friend is coming to an important part of his speech. Many people who have been long-term recipients of incapacity benefit have received doctors' lines time after time without any form of investigation into their illness. Will my right hon. Friend assure me that the new system will ensure that that can no longer happen?

Mr. Hutton: Yes, I can give my hon. Friend that assurance. It will be important that, apart from having access to the support group, people have a regular face-to-face medical examination of their condition, so that we are able to provide them with the right measure of help and support that they need. This is a failure of the present system. I know that there are some of my own constituents who have not seen anyone for some considerable time, and that is not an acceptable way to run our welfare state.

My hon. Friend said that I was coming to an important part of my speech. I am not sure how he knew that, but I have been trying to get to it for quite a while. I would like to remind people of what I was saying about the design of the new personal capabilities assessment. We have created review groups, involving both technical and stakeholder experts, to look at the mental health and physical components of the assessment. We intend to complete this work by September so that we can provide a clear view of the new assessment during the Bill's Committee stage.

The new personal capability assessment will identify those who are capable of undertaking work-related activity and the support and interventions that will be necessary to help them get back to work. It will identify separately people who are so limited by their illness or disability that it would be unreasonable to require them to undertake any form of work-related activity.

Angela Browning (Tiverton and Honiton) (Con): I notice that on several occasions the Secretary of State has referred to getting people back into work. Will some of the proposals that he is spelling out today also apply to people who have never enjoyed paid employment? They include people with learning disabilities, autism or mental health problems, who might well be in their 20s or 30s, and who would like to work but have no previous experience of doing so.

Mr. Hutton: It was my mistake not to have made that clear. I agree absolutely with what the hon. Lady says. We want opportunities to be more widely shared than they are at the moment, and that will include people who have never been active in the labour market. Such

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people will not be excluded from any of the help and support packages that we are seeking to make available through pathways to work.

I recognise the sensitivity and importance of getting such a crucial distinction right. That is why we are consulting all our stakeholders carefully, to ensure that we take an equitable approach. The group that I have just described, known as the "support" group, will receive the new benefit at a higher rate. As now, they will be able to volunteer to participate in work-related activity and access all the appropriate support available, but it will not be a condition of their entitlement to any part of their benefit.

For the vast majority—those who are not in the "support" group—the new benefit will have a clear framework of rights and responsibilities. In return for the additional support provided by the national roll-out of pathways to work, claimants will be required to attend regular interviews, complete action plans and, in time and when resources permit, undertake work-related activity. As the Green Paper makes clear, the full level of benefit that they receive will be above the current long-term rate of incapacity benefit. However, those refusing to engage with the help and support offered, without good cause, could see their benefit reduced progressively to the basic level of jobseeker's allowance.

I want to return to the point raised by my hon. Friend the Member for Bridgend (Mrs. Moon) a moment ago, which I did not deal with. She asked how we would approach the issue in relation to people who have a mental health problem, and who might, for a perfectly good reason, not have been able to attend, for example, a work-focused interview. At the moment, we would never dream of sanctioning in those cases, unless there had been a home visit, and until decision makers in Jobcentre Plus were absolutely sure that the person had no plausible reason for missing the work-focused interview. With all such matters—I shall make this point later, as I know that Members on both sides of the House will be concerned about benefit sanctions—the success of the policy is not to be judged by how many people we sanction, but the reverse. It will be judged by how many people we can help to get into work, whether for the first time or following on from an earlier career. As we established in relation to the new deal, if we are going to provide new help and support, it is essential to have some reciprocity in the provision of that additional investment in our welfare state. The vast majority of people, I hope, will have no difficulty with that argument.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I want to explore a little further the issue of work-focused interviews and people with mental health problems. I am pleased by the reply that my right hon. Friend has given to my hon. Friend the Member for Bridgend (Mrs. Moon). In order to reassure those who have genuine fears, what steps will he take to ensure that his staff are properly trained to identify when someone's mental health problem is so severe that it would be adversely affected by being required to attend a work-focused interview?

Mr. Hutton: I accept that there is fear about all these issues, and it is important that we dispel those fears. There is no reason for people to be fearful. We invest significantly in the training of personal advisers in Jobcentre Plus. Through pathways, we have been doing this for the best part of two years, and we are beginning to find a sensible way forward. I do not doubt that there are areas for improvement, and Jobcentre Plus is always ready and willing to learn. If there is a role for some of the voluntary organisations to help us to train our staff properly, we should explore that further. We are making progress. It is not our intention to be punitive as we develop these approaches; that would be wrong. As I have tried to say previously, we can be radical, which I believe that these reforms are, without being punitive. I hope that my hon. Friend does not infer from anything that I have said today, or anything in the Green Paper, that we will punish people unfairly because they have a level of incapacity. That would be totally at odds with the values to which I referred earlier, and forms no part of the approach that we want to develop.

Mr. Russell Brown (Dumfries and Galloway) (Lab): I welcome the Bill, which, as far as I can see, is based more on people's abilities than on their disabilities. In relation to work-focused interviews and pathways to work, may I impress on my right hon. Friend that in rural constituencies such as mine, which has two Jobcentre Plus offices 75 miles apart, the difficulty of delivering what I hope will be delivered is much greater?

Mr. Hutton: I absolutely accept that. That is why, wherever possible, we try to take our services out to our customers. I do not know the precise details of the issue raised by my hon. Friend, but he would be welcome to raise it with me in more detail on another occasion.

Roger Berry (Kingswood) (Lab): I support the Bill, and hope that I shall have an opportunity to explain why.

Given that the proposals relating to work-related activity depend heavily on the use of private and voluntary-sector providers, can my right hon. Friend assure us that decisions on sanctions will be made not by those providers but by Jobcentre Plus?

Mr. Hutton: That is certainly the current arrangement, but, as my hon. Friend will know—I suspect that that is why he asked the question—clause 15 allows the possibility of benefit sanction decisions being made by some of our private and voluntary-sector providers. I shall come to that section of my speech shortly, but let me say first that a number of providers have told us that they would like to have those powers. I agree that not all them may want the powers, and I quite understand why, but it is worth exploring the issue a bit further.

I consider the additional obligations to be central to the reform package that we are proposing. As I said earlier, I believe that the vast majority of people will consider them to be reasonable and necessary. They are very much powers of last resort. As with any such measures, the proof of their success will come not in large numbers of cases in which the sanction is imposed, but in the number of people whom we can return to employment and, therefore, lift from poverty. In the current pathways areas where extra conditions have been imposed, the benefits of fewer than 1 per cent. of claimants have been sanctioned. That is a mark of the success of the deal that we have offered people on incapacity benefit.

I know that some have expressed concern—as my hon. Friend just did—about clause 15, which permits the application of employment and support allowance benefit sanctions by private and voluntary-sector providers. I can reassure the House and my hon. Friend that a clear system of safeguards, similar to that used in pathways, will be used before any such sanction can be applied, and that the normal rights of appeal will be fully applicable. We will talk to private and voluntary-sector providers about whether they wish to exercise the function, but I think it is important for us to explore whether the new power will be helpful as we engage with a wider range of welfare-to-work providers in the years ahead. We will invest a further £360 million over the next two years to support the measures in the Green Paper, and to secure national coverage of pathways to work.

Mr. David Laws (Yeovil) (LD): Will the Secretary of State clarify what aspect of non-compliance the private and voluntary-sector providers might sanction? Might it relate to participation at an interview, taking up employment opportunities, or obtaining medical assistance?

Mr. Hutton: No sanctions would apply to health care provision. I think it would be entirely wrong to apply sanctions to how an adult decides to obtain health care. Nor would sanctions apply to the job-seeking that the hon. Gentleman describes, because that is not part of work-related activity planning. Essentially, we are talking about work-related activity when it becomes a mandatory condition for benefit—if it does—along with work focus interviews and the drawing up of action plans. Only in those areas could benefit sanctions apply.

Working with our partners in the private and voluntary sector will be a critical part of our building of a modern, active and increasingly devolved welfare state which makes more use of a wider range of providers with the skills and expertise to target local labour market issues more successfully. I said a few moments ago that a modern welfare state could not afford to leave anyone behind, and should not seek to do so. That is why we will roll out our offer of help and support for existing claimants of incapacity benefits—available on a voluntary basis—as pathways spread nationwide. In Somerset, for example, we are already piloting a regular set of work-focused interviews for all existing customers as part of pathways, and if that approach works, we will seek to expand it further as resources allow.

In time, as provided for by schedule 4, existing claimants will be "migrated" to the new employment and support allowance. That will help to reduce the complexity involved in having two completely separate administration systems running indefinitely. I want to make one thing clear, however: existing claimants will not be mandated to undertake work-related activity as a condition of receiving the full amount of the new benefit. Clause 12 gives us the necessary power to require ESA claimants to undertake work-related activity, but we will ensure that the regulations made under the clause reflect the position that we set out in the Green Paper in relation to existing incapacity benefit claimants. As the Green Paper also made clear, the current benefit level of existing claimants will be fully protected.

Angela Browning: What is the position of people who are still receiving the old severe disablement allowance, which preceded incapacity benefit? Will those whose claims show that they still have SDA status be brought within the incapacity benefit loop, or will they be treated as a separate group?

Mr. Hutton: That is a very good question and I wish that I had the exact answer to it right now, but I will ensure that my hon. Friend the Minister for Employment and Welfare Reform deals with it in his winding-up speech.

Following consultation on the Green Paper, we made two substantial changes to our proposals. First, we listened carefully to concerns that the adoption of jobseeker's allowance rates in the employment and support allowance would penalise disabled young people. It was never our intention to discriminate against young disabled people and we decided that young people will now get the same basic allowance as everyone else in the main phase of the ESA.

Secondly, there were strong concerns from employers over our proposals to simplify statutory sick pay. Our intention was to simplify the process of administering the scheme while maintaining the crucial balance between helping to keep costs down and retaining protection for the most vulnerable employees. Employers felt that the simplicity they would gain from these changes was not sufficient to outweigh the loss of flexibility that waiting days gave them, so we decided not to proceed with those proposals at that point. We will instead invite all interested stakeholders to discuss with us the scope for alternative approaches to simplification, which must not, however, involve unreasonable costs to employers.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): In his answer to my hon. Friend the Member for Yeovil (Mr. Laws), the Secretary of State suggested that conditionality would not apply in respect of medical activities. Will he confirm that the conditionality in the Bill can apply to the work-focused, health-related assessments that are proposed in clause 10?

Mr. Hutton: Yes, but it will not and we will make sure of that in the regulations.

Part 2 takes forward our Green Paper proposals to simplify the existing housing benefit system to improve work incentives and encourage personal responsibility for housing choices. Following the success of the 18 pathfinder areas, the Bill will facilitate the extension of local housing allowance across the deregulated private rented sector. Where possible, to promote personal responsibility among tenants, we propose that payments of housing benefit will be made to the tenant, rather than the landlord, but appropriate

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safeguards will be in place to protect both tenants and landlords so that in cases where tenants are likely to have difficulty in managing their affairs, payments can still be made to the landlord.

Mr. Andrew Love (Edmonton) (Lab/Co-op): My right hon. Friend rightly points to the success of the 18 pathfinder areas. One reason for their success is the enhanced money advice provided in those areas, so will he give us an assurance that such an enhanced money advice service will be available on the roll-out nationwide?

Mr. Hutton: Yes, we will certainly want to do that and it will feature in subsequent debate and the Minister for Employment and Welfare Reform will comment further at the end. He is going to have to make a longer speech than he anticipated, but there we are.

The Bill also provides for a reduction in housing benefit where someone has been evicted from their home on grounds of antisocial behaviour and refuses to co-operate with the support that is offered by the local authority to help improve behaviour. There is clear research evidence that the provision of intensive support and supervision can achieve significant changes in the behaviour of persistently antisocial households.

An active welfare state, with rights and responsibilities at its heart, must send a clear signal to those evicted for antisocial behaviour that they are at the end of the line and cannot simply expect to move to another property and continue their bad behaviour at the expense of decent hard-working families. That would serve only to undermine public confidence in our welfare system and if we are right to expect minimum standards in other areas of the welfare state—I believe that we are—we should be consistent across the whole system, including housing benefit.

We intend to pilot the sanction in about 10 English local authorities over a two-year-period as soon as we have the legal power to do so. Proper consideration will be given to the needs of any children involved in such cases, but we cannot go on turning our back on those who have to put up with that kind of behaviour and who rightly look to us to deal with the problem. The Bill makes a start in the right direction in this sphere.

Mr. Terry Rooney (Bradford, North) (Lab): My right hon. Friend knows that I have some doubts, but if people in rented accommodation suffer from that penalty, should it not also apply to those who receive state support for mortgage interest payments? If guilty of similar antisocial behaviour, should not those people be subject to a similar regime?

Mr. Hutton: As my hon. Friend knows, that is not in the Bill, but if he raised that matter again in Committee or on Report, I am sure that we would reflect carefully on any arguments that he deployed.

Those responding to the Green Paper consultation expressed concerns about introducing local housing allowance for tenants in social housing. We recognise those concerns, and we have therefore decided not to introduce such legislation at the moment.

Part 3 proposes a number of measures to improve the administration of social security, including new powers to allow greater sharing of information to improve the take-up and delivery of benefits and other services administered by my Department and by local authorities. For example, where pensioners are entitled to both pension credit and council tax benefit or housing benefit, common information on personal and financial circumstances will only need to be given once.

Mrs. Moon: Can my right hon. Friend explain who will decide whether an individual should receive personal payments of their rent allowance? There is great concern among professionals working in the health and social care sectors that families with children will find themselves in debt, as their benefit will be paid into overdrawn bank accounts, the banks will use it to pay off bank arrears and it will never reach the landlord. Can he explain how we can ensure that people are not forced into further debt under that proposal?

Mr. Hutton: I can just point to the research and the outcomes in the pathfinder areas, and my hon. Friend might want to study them. We have seen no correlation between the direct payment of the local housing allowance in those areas and any difficulty that those tenants have in paying their rent. There has been no increase in arrears and no problem with landlords then seeking to evict tenants. As a general principle, it is right to treat adults as adults and for the payment of rent to go directly to them.

There are safeguards, however, and in the pathfinder areas—we have been very clear about this—about 15 per cent. of those who are eligible for local housing allowance have not received it directly, because they felt that they were at risk of not paying up. There are problems, for example, if someone has a drug or alcohol dependency. We certainly do not want to make matters worse in those cases. There is a sensible way to deal with those concerns that does not undermine the fundamental principle—this must be right in the welfare state—that we should treat people in the benefits system as adults. We manage money; they are perfectly capable of managing money, too, and we should not start with any assumption that they cannot do so.

Kali Mountford (Colne Valley) (Lab): My right hon. Friend is describing a new system that will bring together those in different parts of the civil service who did not work so closely together previously, along with other sectors. May I tell him that my discussions with people inside Jobcentre Plus suggest that that is causing them some concern. They need to learn lessons from the past. They are also concerned about the target that has been set of benefiting 1 million people's lives. The assessment that others have made that that target is not too challenging does not fit with their concerns about the new system.

Mr. Hutton: We will have plenty of opportunities to listen to those concerns and to act on them where we think that that is the right thing to do. I think that my hon. Friend is referring to the aspiration—the objective—of getting 1 million people off incapacity benefit. That is the right objective for us to have. We are investing significantly more in the help and support available to people who have a measure of incapacity. They and the organisations that represent disabled people have made very clear to us the importance that they attach to extending what my hon. Friend the Member for Manchester, Central (Tony Lloyd), who is no longer present, referred to as the right to work. That is the right and proper thing for us to do, but I am quite sure that the debate about how we implement these reforms will continue inside and outside Jobcentre Plus, and we are certainly more than willing to listen to what people are telling us about them.

Mr. Marsden: I want to touch on the 1 million target, which, although ambitious, should be put in front of us. However, does my right hon. Friend agree that it is extremely important—particularly in a constituency such as mine, where many of the target people on IB might have been in that position for five or 10 years—to focus on an element of job progression if we are successful in getting them into work, so that they do not think that they are coming into work at a relatively low level, without aspirations and skills or the training that they need to develop them thereafter?

Mr. Hutton: I absolutely agree with that, and some of the issues to which my hon. Friend refers will be picked up by Lord Leitch, when he reports to my right hon. Friend the Chancellor on how and to what extent we can do more to support the skills of the labour force. However, I agree with my hon. Friend fundamentally: we are here to help, and we will be long-term partners in incapacity benefit reform. We have a role to play in supporting people not just to get a job, but to make progress up the labour-market ladder as well. I agree with him that that is very important.

Lyn Brown (West Ham) (Lab): Given that 60 per cent. of people come off incapacity benefit within the first year, is it realistic to assume that we can take 1 million people off it? If we are basing that estimate on pathways to work figures, how can we be sure that the 8 per cent. of people in respect of pathways to work are not also included in the 60 per cent. of people who would normally naturally come off incapacity benefit in the first year?

Mr. Hutton: In pathways areas, access to help and support has not been confined to new claimants; in some parts of the country, the entire stock is being looked at, and in others the pathways are looking back five, six, seven or eight years. I believe that we should set ourselves difficult targets. If a Government set themselves a target that they know they can reach, that is easy; and it is worse to set a target in respect of which we can torture the data until they confess and tell us that we have met it. There should be a genuinely objective measurement of our progress, but if we are to make a difference to the lives of disabled people, it is right and proper that we aim high, not low.

Sammy Wilson (East Antrim) (DUP): We broadly support these measures, but may I take the Secretary of State back to what he said about withdrawing benefits from those who were engaged in antisocial behaviour? Perhaps he did not mean to do so, but he seemed to gloss over the point about what happens in cases involving families with children and where homelessness might result. I think that his answer to that was that the interests of children would be taken into consideration. Will the Secretary of State spell out exactly what he meant by that? Will this sanction not be imposed on families with children, or else in what other ways will the interests of children be looked after?

Mr. Hutton: I am grateful to the hon. Gentleman for his signal of support for the package of measures. In relation to children and the housing benefit sanction, we must remember that housing benefit is administered by local authorities. We intend to give the decision maker—the local authority—an area of discretion in cases involving families with vulnerable children. We do not envisage the full sanction applying in such cases but, for the reasons to which I referred, it is important that a line is drawn. We as a society, and we as law makers in this House, should send out a clear signal that we are no longer prepared to ignore the antisocial behaviour of the small number of people—it is a very small number—who continue to flout any proper standards of social behaviour to their neighbours, and who expect their neighbours, through their taxes and income, to support their lifestyle. However, it will of course be necessary when there are competing considerations—when there is not just a single person or a couple with no children—to take into account the innocent children who are wrapped up in such cases, and we will of course make sure that there is no question whatever of families with children being turfed out into the street.

Ms Katy Clark (North Ayrshire and Arran) (Lab): Does my right hon. Friend agree that there seems to be a direct relationship between levels of employment and the number of people on incapacity benefit? Between 1979 and 1997, the number of people on incapacity benefit trebled, and that was accompanied by huge levels of unemployment. The current Government have made huge strides in this area; 2.4 million more people are in work, and employment in my constituency has increased by 25 per cent. But in areas such as mine, we still have a long way to go in respect of securing full employment. Therefore, does my right hon. Friend agree that we must be realistic in respect of targets, and recognise that they will be reached only as our policies for employment are put in place?

Mr. Hutton: That is obviously true, but we should be confident that we will succeed in meeting the ambitious target that we have set ourselves. The economy and the labour market are strong. Employment opportunities clearly exist, and they are continuing to grow. More people are in work this year than when we came into office, and the numbers are still increasing. Under the stewardship of my right hon. Friend the Chancellor, those of us on the Labour Benches are entitled to be confident about our economy developing in the right way.

Geraldine Smith: I congratulate my right hon. Friend on the measures to deal with antisocial behaviour. Let

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me give him an example of such behaviour. In Morecambe last night, I was called to a house at 10.30 pm to witness extremely loud music that was being played by people in flats across the road—I suspect that those people claim benefit. I was told that they continue to play their music until 3 o'clock in the morning and drink alcohol outside. Of course, those people might not have to get up for work the next morning, but several people in the street do. This is a considerable problem, so the Secretary of State is right to look at measures to deal with people on benefit who are committing antisocial behaviour.

Mr. Deputy Speaker (Sir Michael Lord): Order. Before the Secretary of State answers, I should say that interventions are getting longer and longer. An awful lot of people who are seeking to catch my eye are sitting waiting very patiently. It is not for me to curtail debate, but I just mention that fact.

Mr. Hutton: I shall try to speed up, as well, Mr. Deputy Speaker. I am sure that my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith) speaks for many Members of this House, and we all have those problems to deal with in our constituencies. We need to be fair to people—as, of course, we will be—and there will be a due process that can be followed, but I do not think that the vast majority of law-abiding, decent people find it acceptable to continue with the current system, under which people can behave in the way that my hon. Friend describes with total impunity. Just as we have other measures across the benefit system that require a reasonable response from people on benefits, we should have one here, and I am grateful for my hon. Friend's support for this measure.

Joan Walley (Stoke-on-Trent, North) (Lab): Will the Secretary of State give way?

Mr. Hutton: I shall give way once more but not again, because I need to get on.

Joan Walley: I am most grateful. May I take the Secretary of State back to the issue referred to a couple of interventions ago—areas in which many people are on incapacity benefit? Will he work with colleagues to develop a joined-up approach to this issue, and try to find opportunities to link the relocation of Government Departments under the Lyons review to areas such as Stoke-on-Trent, in which we need to create even more jobs?

Mr. Hutton: My hon. Friend has made a very important point and I look forward to working with her to ensure that those benefits are realised, particularly in her constituency.

I now have the answer to the question that the hon. Member for Tiverton and Honiton (Angela Browning) asked about the severe disablement premium: people in receipt of it can volunteer for pathways. I am grateful to her and to my hon. Friends for their interventions; it is because there have been so many of them that I have now been able to deal with the hon. Lady's point.

The Bill contains provisions dealing with fraud, and we have decided to go further in this area. Given that some 50 per cent. of fraud against a local benefit also involves fraud against a national benefit, it is crucial that we lift the restrictions that prevent up to 2,000 local authority investigators from tackling the full extent of the benefit fraud that they encounter. Clauses 43 to 45 address those concerns.

Rights and responsibilities lie at the heart of this Bill, and nowhere is the abuse of those responsibilities more blatant than in benefit fraud. Clause 46 will extend the "two strikes" rule for repeat offences, so that people who commit a second benefit offence within five years of their first one can have their benefit withdrawn.

Part 4 of the Bill contains a number of smaller but important measures to correct anomalies in the—

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I am grateful to my right hon. Friend for giving way. I draw to his attention clause 55, schedule 6 and the reference to pneumoconiosis. Under the schedule, a claim made more than 20 years after a period of employment ended will be disregarded. In effect, that will mean that very few pneumoconiosis-related claims will be made under the Pneumoconiosis etc. (Workers' Compensation) Act 1979. As he will be aware, provision for bringing a claim under that Act came in when British Coal ceased to exist, in 2004, but because of the way in which the schedule is drafted, it will not be possible to make such a claim. I ask the Secretary of State to reflect on that, and to see whether we can consider the nature of the disease in deciding whether a claim is proceeded with.

Mr. Hutton: My hon. Friend has a great deal of experience in this area and I have a great deal of respect for his view, but I think that he is wrong about the effect of clause 55 and schedule 6. We are trying to incorporate a more practical version of the relevant employer condition, which officials have been applying since 1980 on an extra-statutory basis, and to update the 1979 Act to reflect modern partnership rights by providing for civil partners. We are not trying to restrict access to the scheme at all; far from it. We are trying to put on to a statutory footing and basis the current rules that are being applied. The Minister for Employment and Welfare Reform and I would be very happy to pursue this conversation with my hon. Friend later, but I can assure him and the House that there is no suggestion that we are trying to restrict access to the scheme.

Part 4 of the Bill, which my hon. Friend has read, as I am sure others have—it is fantastic—contains a number of quite important provisions. In addition to provisions relating to pneumoconiosis, there are provisions to ensure that disability living allowance recipients around the age of 16 do not lose up to three months of benefit entitlement, which there is a risk that they might do at the moment, and to simplify the operation of the budgeting loans scheme.

With the Bill, we can harness the power of modern advances in health and employment support, and foster a society of genuine equal rights and opportunities for everyone. We can help families lift themselves out of dependency, tackle child poverty and build a lasting legacy for millions of our fellow citizens. We can deliver an active welfare state that does not simply cushion people from the effects of poverty and unemployment, but which instead seeks to tackle those issues at source. The Bill begins the next stage of our reforms to our welfare state. I believe that it enshrines the proper balance between rights and responsibilities. It reflects the values of opportunity and security. It has been built on the foundation of a broad and wide consensus. It is the right way forward if we are to succeed in tackling the poverty and social exclusion that still blights the lives of so many disabled people. I commend the Bill to the House.

5.25 pm

Mr. Philip Hammond (Runnymede and Weybridge) (Con): As the Secretary of State knows, we are generally supportive of the overall structure that was put forward in the Green Paper proposals and of which the Bill is an integral part. In the three key areas—incapacity and sickness benefit; getting lone parents into work; and getting older people into the workplace, or enabling them to remain in the workplace—we agree that there is a need for change in order to contribute to the Government's target of 80 per cent. working age participation in the work force. It is essential to achieve that target in the face of a rising dependency ratio. I agree with the Secretary of State that we cannot afford to leave anyone behind in 21st-century Britain, so we are broadly supportive of the proposals that we are considering today, but I hope that he will understand that, within that broad support, there are a number of things that we want to question and matters that we want to raise.

Welfare reform has been on the Prime Minister's "to do" list since 1997. It struck me that there is a remarkable similarity between the language of the 1998 Green Paper and that of the 2006 Green Paper, which the Secretary of State published earlier this year. The 1998 Green Paper states:

> "People who could work are too often consigned to a life on benefits; those who satisfy the…Test for incapacity benefits are effectively written off and given no help to make the most of their potential."

Many Labour Members may think that the right hon. Member for Barking (Margaret Hodge) went a little far when she said that Labour had done "sweet nothing" to tackle incapacity benefit since 1997, but it is clear that, despite the Welfare Reform and Pensions Act 1999, many of the aspirations in the 1998 Green Paper remain unfulfilled—hence the repetition of some of the language in this year's Green Paper and many of the key elements of the Bill.

Of course, the Bill and the accompanying notes leave a number of questions unanswered. That is partly an inevitable consequence of the structure of the Bill. It is very much a framework and I welcome the confirmation that the Minister for Employment and Welfare Reform was able to give at departmental questions last week that draft regulations will be made available to the Committee before consideration of the relevant parts of the Bill.

Part 1, as the Secretary of State has said, introduces the new employment and support allowance and the arrangements around it, which are inextricably linked to the recently announced roll-out of the pathways to work programme, which will support the measures in the Bill. We agree that a degree of compulsion in the employment and support allowance regime is appropriate, provided that adequate support is in place, especially for people with disabilities. Many people who have been out of the workplace for a long time will lack the self-confidence that they might otherwise have and will need firm encouragement to re-engage in work.

The first point on which I seek clarification relates to the baseline for the Secretary of State's announced target. The Government set out a target of a reduction of 1 million in the number of people on incapacity benefit. In its report, the Select Committee was critical of the lack of detailed baseline information and the Government have subsequently published that information. It shows that in any case—with no additional action whatsoever—it is expected that there will be a 360,000 drop in the number of people on incapacity benefit by 2014-15. That is thus the baseline number, without any of the measures in the Bill or the extended roll-out of pathways to work. Just so that we are clear about the backdrop against which we are conducting the debate, the target for the new regime is to deliver not a reduction of 1 million in incapacity benefit numbers compared with the existing baseline projection, but a 640,000 reduction. When the Secretary of State told the Select Committee that 1 million was "a net figure" and not a

> "clever statistical sleight of hand",

he was right, because including 360,000 people who are already in the baseline as part of the net figure is a rather crude statistical sleight of hand. I hope that we are all clear that we are talking about a reduction of not 1 million, but 640,000.

Hugh Bayley (City of York) (Lab): May I respectfully remind the hon. Gentleman that when his party was in power, the number of people on long-term sickness benefits rose from 600,000 to 2.4 million? He criticised the Government a moment ago for not doing enough to reduce the numbers on incapacity benefit. His figures suggest that about a third of a million people will come off the benefit as a result of measures that have already been taken, but I think that he would agree, having repudiated the policies of the past, that more needs to be done, which is surely what the Bill is about. Can he not support it?

Mr. Hammond: The hon. Gentleman obviously was not listening. I said at the outset that we supported the package of measures. However, if we are to have these debates, it is important that we understand the parameters. When a target is announced against which we will measure the success of a package, we should be clear about what that target is. I hope that we are all now clear about the target.

At the time of the publication of the Green Paper, we and the Select Committee expressed concern that existing claimants should not be written off in the process. The regulatory impact assessment that accompanies the Bill says:

> "It is clear that to reduce the caseload our strategy must focus on improving the rate at which people leave incapacity benefits."

Conservative Members strongly agree with that statement, but much of the focus of the package is actually on tightening the gateway on to benefit. The

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Select Committee has expressed the concern that existing claimants are in danger of being left behind.

It seems to me that there is a wide consensus in the House in support of measures that will help people back into work because that is the best and most effective way of tackling poverty and social exclusion. However, if we all agree on the value of the programme, we cannot accept that those who were specifically referred to and offered hope as long ago as the publication of the 1998 Green Paper should be left behind. The reduction in numbers must therefore represent a genuine increase in off-flow as well as a reduction in the numbers of new claimants. I urge the Minister to give in his winding-up speech a commitment to providing disaggregated targets for those two components of the total reduction to which the Government are committed.

We also need to understand the Government's thinking about the migration of existing claimants. It has come out during our extensive debate so far that provisions in schedule 4 will allow the migration of existing claimants on to the new system. However, as is consistent with the broad architecture of the Bill, schedule 4 contains largely regulation-making powers. It would therefore be helpful to understand how and when existing claimants will become subject to the new regime.

We understand that the Government's original intention was that existing claimants would remain on the old incapacity benefit, with work-focused interviews being gradually rolled out. The Secretary of State has now made it clear that there will be a migration process, but, if I have understood it correctly, with existing benefit levels protected. Will the Minister of State be clear, either when he winds up the debate or in an intervention, about what that means? If an existing claimant goes for a new reformed personal capability assessment test and fails it, he would presumably be obliged to claim jobseeker's allowance, but if benefit levels are to be protected, he would get JSA but at the rate of his former incapacity benefit. Is that correct? Would the JSA come with the usual conditionality—the actively seeking work and available for work tests? We need to understand how the proposals would work in practice.

All the Government announcements and publications that I have seen give the impression that eventually everyone will be included in the system and eventually there will be a requirement to engage in work-related activity, rather than just to complete an action plan and then not necessarily act on it. However, the Government continually enter the caveat "as resources allow". The Secretary of State made it clear that there can be no further roll-out of the programmes until after the comprehensive spending review.

We agree that it is right to extend the compulsion elements of the programme only when the necessary support is in place and available, but we are talking about a programme that is intended to deliver huge savings—billions of pounds of savings—to the Exchequer. The Government's analysis, such as it is, says that there is an 8 per cent. increase in off-flow in the pathways pilot areas and that the scheme is very much more than self-financing. The Minister of State said in a press release, I think, last week that the average cost on a pathways programme was £800 and the average saving was about £8,000. So talk about being unable to roll out the programme because of resource constraints does not ring true, or at the very least it betrays a desperate lack of financial imagination.

The Green Paper says that pathways will be rolled out in new areas by the private and voluntary sectors, paid for by results and in a way that allows

"new and innovative approaches to be tested."

The announced roll-out will use private and voluntary sector providers, but on a much-diluted basis compared with what the Green Paper envisaged. They will not conduct the roll-out in all new areas, they will not be paid wholly by results, and the roll-out will be with a degree of prescription that, frankly, will stifle the most innovative in their ambitions for those programmes. It is almost as if the proposal for roll-out with the private and voluntary sectors has been designed not to maximise the potential benefits that could be squeezed out of using them.

I have a number of different points to suggest to the Minister. There is not enough transfer of risk in what is being proposed.

Mr. Hutton: I was not planning to intervene, but the hon. Gentleman's concerns about the roll-out of pathways through the private and voluntary sectors are fundamentally misplaced. We will shortly discuss with the potential new providers of pathways our proposals for how we want the roll-out to proceed. It will certainly not remove the opportunity for innovation, development and flexibility. We want to pursue, and rightly so, the best possible value for money for the taxpayer. If he is prepared to wait a bit longer, he will see from the documentation, which he has asked for and which I am happy for him to see, confirmation that his fears are misplaced.

Mr. Hammond: I am grateful to the Secretary of State and I am encouraged by the fact that he does not intend to hamper the innovation that the private and voluntary sectors can deliver. However, I have talked to private and voluntary sector providers at some length over the past few days. Perhaps he will allow me to set out my concerns and intervene again if he wants to. I would be more than happy if, after the next three or four minutes, I was able to say that he had dealt with all my concerns.

The transfer of risk seems a fundamental part of the purpose of engaging the private sector in such a programme. Payment by results was promised, but we understand that a 30 per cent. up-front payment of the fee is now proposed. A payment of 30 per cent. of the fee up front is precisely what creates the resource constraint which is constantly referred to as a reason for not rolling out the programmes more quickly. Why not utilise the private and voluntary sectors' appetite for risk? Why not roll out the migration of existing claimants and the work-related activity element via private and voluntary sector providers on a genuine no win, no fee basis, with a fee structure that maximises the incentive of the private and voluntary sectors to reach those furthest from being work-ready and that is cash-neutral to the Treasury—paying them only when they have not only placed someone in work but maintained them in work long enough to produce a stream of benefit savings that will cover the fee that they are to be paid?

Kali Mountford: I am listening carefully to the hon. Gentleman's remarks, having talked to the private and voluntary sectors myself. They have concerns because they sometimes take a great deal more risk, as their client groups are much more difficult to reach and to place in work. When talking to me they have been concerned about whether they would be able to sustain participation if there were no payments up front in order to enable them to deliver a service.

Mr. Hammond: I would be happy to swap notes with the hon. Lady after the debate, but some of the larger providers to which I have talked, in both the voluntary and the private sectors—the not-for-profit sector—assure me that they can deliver such a programme. We all agree that we have an excellent programme—there is consensus that the roll-out of the programme is a good thing—but what bothers us on the Opposition Benches is that we are hearing that, because of resource constraints, neither the migration of existing claimants nor the work-related activity requirements can be rolled out any faster. For perfectly good and understandable reasons, the Treasury is not prepared to invest large amounts of money up front on the Secretary of State's promise that there will be a saving at some time in the future. I am suggesting that the private and voluntary sectors can deliver some real benefit; they can do something that no Government Department can do. They can take on the risk on their balance sheets and allow the removal of the resource constraint in order to roll out the programmes more quickly.

Miss Anne Begg (Aberdeen, South) (Lab): Does the hon. Gentleman agree that resources are not just money and not necessarily merely Government money? I agree that the not-for-profit sector and some private sector providers are very good, but there are capacity problems, particularly concerning trained people such as cognitive behaviour therapists who deal with those with mental health problems. We cannot magic such people out of the air, and it is in those professions that some of the resource constraints lie.

Mr. Hammond: What the hon. Lady says is self-evidently true. There are real as well as financial constraints, but we can deal with one of the largest constraints—the financial resource constraint. I suggest to the Secretary of State that it can be done. The resource constraints boil down to a lack of imagination—I will not say in the Secretary of State's Department; it might be in the Treasury or elsewhere—rather than a lack of cash. The benefits of the programme could be made more widely available more quickly through such a transfer of risk. As the Secretary of State knows, a faster roll-out will produce medium-term fiscal savings as well as greater economic and social benefits in the short term.

Mr. Weir: I am interested in what the hon. Gentleman has to say. Many voluntary sector providers, especially those who deal with more difficult cases such as people with autism and other learning difficulties, feel that they will be pushed out of the market because they are niche providers. How will his system deal with that problem?

Mr. Hammond: The hon. Gentleman makes an excellent point, and he is right that some of the smaller, more specialist providers fear that the model that the Government are rolling out, in which there is a single provider in an area, will squeeze them out of any chance of a role as a prime provider. I think that there will be a consolidation, whereby specialist and smaller providers act as sub-contractors in consortium arrangements with larger, perhaps financially stronger, lead providers.

Angela Browning: On the issue of sub-contracting to so-called niche or specialist providers, at the moment, the system—and I cannot picture it changing, unless the Minister tells me otherwise—is that large contracts are issued, and are top-sliced by the companies or organisations that win them. When they then sub-contract in a specialism in which there are, of necessity, higher per capita costs if they are to deliver, they make it uneconomic for those specialist providers to play a part in the market. That is the challenge that the Minister must address.

Mr. Hammond: My hon. Friend makes a good point. Perhaps I can provide some grounds for optimism by explaining my understanding of what is taking place in the marketplace between lead providers and specialist providers. Providers of specialist services are very much sought out by those who seek to be lead providers. That is because, in presenting their bids to Government, those lead providers need to show that they can access those specialist services, so I hope that the balance of negotiating power is not as lop-sided as my hon. Friend fears.

We have a unique opportunity to exploit one of the advantages of using private and voluntary sector providers, and allow those providers to take on some of the risk, so that there is quicker roll-out, and so that we do not always have to listen to admirable ambitions for programmes that cannot be rolled out until resource constraints allow it. We may be failing to maximise the advantages of engaging the private and voluntary sectors as a result of a prescriptive structure. In particular, I was concerned, as were some potential providers, to learn that it is intended that Jobcentre Plus will, in every case, deliver the first work-focused interview. That proposed model hugely constrains the private and voluntary sectors.

I understand that the Department for Work and Pensions has a screening tool to screen out those who are closest to the workplace, and that is quite right under value-for-money considerations; it would be frankly barmy to allow private sector contractors to take on people who were about to go back into the workplace, and to collect a large fee. I completely agree that there has to be a way of ensuring that that does not happen, but in a system where work-related activity is not compulsory, and in which even delivering the action plan is not required, the first interview will be the key to success.

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The first interview is the point at which many private and voluntary sector providers believe they can genuinely deliver value—by galvanizing a marginalised individual into seeing, understanding, and grasping his potential for getting back into the workplace and overcoming the disadvantages that his absence from it has caused him. He must be able to see the potential to change his situation. In other words, we must turn the rhetoric of putting the focus on what people can do into a reality. I am not saying for a moment that Jobcentre Plus staff cannot do that; I am saying that the first contact is integral to the whole process. In private and voluntary sector-led areas, the work-focused interview should be carried out by the provider, as an integral part of the process. Otherwise, there is a risk that the model proposed by the Secretary of State will be compromised.

Mr. Rooney: Does the hon. Gentleman not accept that, under the system, claimants have an initial interview as part of the process of making a claim, so it makes perfect sense, and is cost-effective, to wrap that up with the initial work-focused interview?

Mr. Hammond: The problem that I see is that there are two different functions—policing of the benefit rules and arrangements, and trying to catch someone's imagination and get them to think about what they could do and to think outside the box that they have been in. Even the most positive person, even the person who is most determined to try and get himself back into the workplace, will still want to secure his benefit arrangements and will have an eye focused on that. It has been strongly suggested to me by people I have spoken to that there is an inherent conflict that people face when talking to Jobcentre Plus staff about their benefit arrangements and entitlements, and about their abilities and possible courses of action. In areas where the private and voluntary sector is rolling out the positive side of the relationship, it should be allowed at the first contact to try to catch the person's imagination and engage them.

I agree with the hon. Member for Kingswood (Roger Berry) that one of the roles that should correctly remain with Jobcentre Plus is the sanctioning arrangements. Following logically from what I have just said to the Chairman of the Select Committee, it would be perverse if the provider who is trying to focus someone resolutely on the positive side was engaged in a sanctioning role. The Secretary of State said that private sector providers had said that they wanted that power. None of those that I have talked to want to go within a mile of having a sanctioning power. They all said that they would rather Jobcentre Plus had that role.

Mark Pritchard: I welcome my hon. Friend's comments about the voluntary and not-for-profit sector. That proposal would be helpful where Jobcentre Plus staff have been laid off, as many thousands have been over the past few months, but where there are still Jobcentre Plus staff, does he agree that they are in the best position to undertake the first interview and assessment, and that there is a role in the job market for both providers? That may be a way forward, rather than one or the other, as the Government are suggesting.

Mr. Hammond: I thank my hon. Friend for that intervention. As the Chairman of the Select Committee rightly pointed out, there is a temptation to say that there are two functions: one entails gate-keeping the system, and the other relates to the first work-focused interview. There is a sense in which it might be economical to combine them. I am suggesting that that might cause considerable damage to the private sector providers' specific innovative approach.

When the Minister for Employment and Welfare Reform winds up, will he touch on the Transfer of Undertakings (Protection of Employment) Regulations 1981? I am concerned by reports that TUPE requirements might be imposed on private and voluntary sector providers of pathways programmes, even though it would be a new programme being rolled out in those areas. It would be helpful if the Minister could clarify that.

The Secretary of State is aware of and touched on the concerns that have been expressed about the design of the personal capability assessment, which is central to the process. We are all aware of the problems with the current system. The high success rate on appeal tends to suggest poor decision making in the Department for Work and Pensions. The Green Paper suggests that there are likely to be fewer appeals under the new system, but no indication is given of how we will achieve that step change in the quality of decision making following a more complicated assessment. It will be interesting to hear whether the Minister has any idea how we will get the number of appeals down. Will that be through better decision making or through a process change that will make it more difficult for people to appeal?

I should like to ask the Minister about the single interview. My understanding—I am happy to be corrected if it is wrong—is that the personal capability assessment, the basic assessment of a person's ability and whether it is reasonable to expect them to work, and the capability for work test, the test to establish whether it is reasonable to expect them to engage in work-focused activity, and possibly the work-focused health assessment for those in the non-support group as well, will all be carried out at the same time. Concerns have been expressed by some providers that there will be perverse incentives for the individual going to a single interview that deals with those three very different things.

I understand that it is the intention to pilot the new personal capability assessments, and I assume that that will be a piloting of the test itself within the framework of the existing benefit structure before the ESA is introduced. The explanatory notes suggest that there will be piloting, but I am happy to be corrected if that is not the case.

One of the most important topics of the Green Paper was early intervention. The Green Paper referred to interventions in the GP's surgery and during the statutory sick pay period. The Opposition believe strongly that there is a need for early intervention. What was a pure test of medical condition has often become confused, with different standards being applied and different factors taken into account by different GPs. The Green Paper made proposals for changes to statutory sick pay and the Government were right to abandon the idea of scrapping the three-day rule, but the focus on on-flow will be incomplete if SSP is ignored.

There is nothing in the Bill about SSP, but that may be because it does not require primary legislation. I urge the Secretary of State not to ignore this aspect. It cannot be right to ignore somebody in work who has become sick or incapacitated for six months before even considering their case and what ought to be done.

My hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley) and I made an interesting visit to the Netherlands a couple of months ago—I understand the Minister may do so in due course—to see how the system operates there, with early and active intervention to help avoid people reaching the stage of long-term sickness.

Mr. Rooney: The hon. Gentleman should tell the full story. For the first two years of sickness, the employer remains liable for full wages under that system. That is a powerful incentive for the employer to get involved in rehabilitation. Does the hon. Gentleman want the same system in the United Kingdom?

Mr. Hammond: If the hon. Gentleman will allow me, I was about to say that the situation in the Netherlands is quite different from the situation that we have in this country, but as a model for early intervention, it was extremely informative. The Select Committee has also made a visit and drew broadly the same conclusions, and I believe the Minister is due to make a visit. I met many people who are looking forward to greeting him in due course.

We do not want to impose further burdens on employers. They have quite a few of those coming down the line anyway. The hon. Member for Bradford, North (Mr. Rooney) will forgive me if, after having stood up and been counted recommending a 3 per cent. compulsory contribution to NPSS—national pension savings scheme— pensions, we do not want to impose too many new burdens on employers.

However, what we think is necessary is a simple procedure to identify likely long-term cases early in the statutory sick pay period—perhaps after six weeks, although I do not know whether that is the right period—so that people who remain in employment and on statutory sick pay could begin the processes of assessment under the ESA. That would entail engagement with their existing employer to look at their options, which is the preferred route, or, engagement with job brokers or pathways providers to find suitable alternatives. That makes sense for both the individual and society. If we leave somebody idle and cast aside for six months on SSP, we raise the bar significantly to their eventual return to work.

The proposal will also be attractive in the short term to the individual employee, because if he can get the assessment period for ESA under way while he is still on SSP, he will be chewing up some of the 12-week period in which he will be on an effective JSA rate of support and getting—

Mr. Deputy Speaker: Order. Call me old-fashioned, and initials are all very well, but sometimes it is a good idea to say everything in full, not just for the sake of the *Official Report*, but for people outside the House.

Mr. Hammond: I am grateful to you for that guidance, Mr. Deputy Speaker. It is remarkable how quickly we slip into the jargon of our portfolios. The only trouble is that removing all the initials will probably double the length of the debate. JSA is the jobseeker's allowance and ESA is the employment and support allowance.

If it were possible to get somebody on to the assessment stage of ESA during the statutory sick pay period, that would be sufficiently attractive to the individual for this to be an entirely voluntary programme. I simply want to float this idea to the Minister and ask whether the Department is considering that, and if not, whether he would be prepared to do so, because from all the work that we have done it seems to be the key to addressing the problem, at least for the group of people who go from work on to long-term incapacity payments.

Many other issues have been raised during the course of the consultation, and they will be probed more fully in Committee. However, I have a couple of other questions to put to the Minister in relation to part 1. The DWP five-year plan refers to a further conditional payment for fulfilment of action plans. That seems to have been dropped in favour of work-related activity, which the notes explicitly say could be different from the action plans. It is difficult to understand the point of making an action plan if people will then be allowed to fulfil their obligations by doing something different from what has been written in the action plan, so perhaps the Minister could explain why that pledge has been dropped. I make no apology for having concentrated on the employment and support allowance and the pathways to work programme.

The Green Paper made a clear commitment to getting 300,000 lone parents and a million older people back into work. There is nothing specific in the Bill about achieving those targets, and there may not need to be, because they may not need legislation, or the legislation may exist elsewhere. We strongly support the proposals, but there is a need for employer education and a change in some employer attitudes. My point in raising that at this stage is to say that while that may not need primary legislation in a DWP Bill, I hope that the DWP is prepared to act as lead supporter for the initiative in government. I am shocked that private and voluntary sector providers of up and running programmes universally say that placing people with the public sector is much more difficult than placing people with the private sector. The Government, as the largest employer in the country, should aspire to lead from the front and be the most flexible and receptive employer to the particular needs of people coming off incapacity benefit, older workers wanting to work flexibly and part time, and lone parents with particular requirements for a particular kind of flexibility in their working life, if they are to get back into work.

The changes to housing benefit fall into two parts, the first being greater tenant engagement in achieving value for money. No one could possibly disagree with that. That is a sensible and unbureaucratic way of

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trying to give people some real responsibility for the consequences of their decisions, and some benefit from making the most appropriate decisions.

The second part is the direct payment of rent, and I have some reservations about the wisdom of going down that route. The theory that the Secretary of State outlined is unimpeachable: giving people greater responsibility must in general be a good thing. But housing benefit payments will often be a very significant part of a person's total income, and some at least of the people who receive those direct payments will succumb, either to temptation or to pressing alternative need, and the consequence will be that they get into debt, into rent arrears, and ultimately perhaps face eviction. The Secretary of State says that the evidence from the pilots does not suggest that, and I know that the full results of the pilots will be published in due course, but what he says is so counterintuitive, and everybody involved in dealing with housing benefit tenants in the housing markets is so surprised by that outcome, that we need to do some more work on that area.

On Friday, I visited a homeless drop-in centre in Chester and I asked how many of the people who were being referred on to hostel accommodation were there as a result of having got into rent arrears and having been evicted from private accommodation. The answer was about 50 per cent. one way or another. The manager of that centre gave me an unequivocal assurance that the numbers would go up if a significant number of her clients were to receive direct payment of benefits. I know that there is a provision for local housing authorities to identify people who are at risk and not to make the payments direct to them, but the Minister will know that the guidance notes suggest that local authorities should not in any way be proactive in seeking out people who may be vulnerable in that way, so there is a real problem there that needs to be considered further. It is not a dogmatic point. There is a clear consensus that if we can give people responsibility, we should, but surely to goodness, not at the expense of them getting into rent arrears and debt, and facing possible eviction.

When the Minister winds up, will he confirm my understanding that it will not be possible to roll out the new local housing allowances to people who are in existing tenancies? There are practical and technical reasons for that. There is something of a double standard in not rolling out these arrangements to the social sector, and in particular to local authority tenants, where the landlord would be both the payer of the benefit and the receiver of the rent. From a basic economics point of view, there must inevitably be a reaction by landlords to the creation of greater risk for them in the marketplace. If a landlord who has been used to receiving a rent cheque reliably once a fortnight from a local authority, virtually a gilt-edged payment, is now to be invited to receive the rent from the tenant directly when and as he is able to make that payment, over time a premium will be demanded for taking on such tenants. Again, that will be to the disadvantage of the Exchequer if ultimately a two-tier market is created, and a marketplace that at the moment is regarded as attractive by landlords of housing benefit tenants because of the method of payment becomes an unattractive one with premiums and perhaps higher deposits demanded.

We remain deeply sceptical about the housing benefit sanctions for antisocial behaviour. We support entirely the taking of the toughest possible stance with those who are guilty of antisocial behaviour, but we have been here before, and the question is being asked whether this is a real threat or just a headline gimmick. If the threat of eviction has failed to change someone's behaviour, will the threat of losing their housing benefit make the difference? The suggestion that has been put to me is that it is most unlikely in those circumstances that the policy would be effective. Therefore, I am open-minded, but at this stage I am sceptical.

Mr. Love: Is the hon. Gentleman concerned that families will effectively be put out on the street and that children will be taken into care?

Mr. Hammond: That is one of the principal concerns. The Secretary of State has addressed that point and is well aware of the concern. He is confident that the arrangements will ensure that that does not happen, although, again, it is not clear how that will be guaranteed.

I want the Minister for Employment and Welfare Reform to clarify one final point in his winding-up speech. At last Monday's Second Reading of the Compensation Bill, the Under-Secretary of State for Constitutional Affairs, the hon. Member for Lewisham, East (Bridget Prentice), suggested that this Bill might be an appropriate place to address issues in respect of asbestos-related diseases that had arisen in the debate on that Bill, which would go beyond what is already in clauses 55 and 56. It would help if the Minister were to tell us whether the Government intend to go further in that area in this Bill or whether the Under-Secretary did not intend to give that hint.

We support the Bill's key objectives to get 1 million people off incapacity benefit and 300,000 lone parents and 1 million older workers back into the workplace. We recognise that that is an enormously complex area and that the detail of the Bill will need to be scrutinised along with the detail of the supporting programme and the draft regulations, which will be laid in due course.

We believe that the laudable objective of tackling poverty and social exclusion by reintegrating people into the work force through an increase in off-flow will most quickly be achieved by a greater transfer of risk to the private and voluntary sector, thus overcoming the resource constraints, which hon. Members have mentioned, and allowing the benefits to flow as widely and as quickly as possible. Coupled with that, we believe that there needs to be a new focus on early intervention during the statutory sick pay period to try to ensure that people in work stay in the work force, even where their current work is no longer appropriate for them.

I have not addressed many specific concerns which I know that other hon. Members will raise in the debate. We will listen carefully to what is said and genuinely look forward to a constructive experience in

Committee. We will certainly not oppose the Second Reading of the Bill tonight, so it can go forward in Committee.

Several hon. Members *rose*—

Madam Deputy Speaker (Sylvia Heal): Order. I remind hon. Members that Mr. Speaker has imposed a 12-minute limit on speeches by Back Benchers.

6.12 pm

Hugh Bayley (City of York) (Lab): Since 1997, Labour's macro-economic policies, support for flexible labour markets and welfare to work incentives have guaranteed faster growth in this country than across the EU as a whole, created 2.5 million additional jobs and reduced employment to less than 1 million. That success has brought tangible improvements to the welfare of millions of employees and their families, but those improvements have not been shared by sick and disabled people of working age.

In my intervention on the hon. Member for Runnymede and Weybridge (Mr. Hammond), I mentioned that the number of people of working age who were not working and who were claiming ill-health benefits quadrupled when his party was in power. Labour's achievement has been to stabilise those figures. In our first term, the number of people on incapacity benefit decreased marginally from 2.4 million to 2.263 million. In the second term, the figure rose marginally, but it was still slightly below the level that we inherited when we came to power. However, it is clear that stabilising the figures is not enough. More needs to be done and I therefore welcome the Bill.

I was the Minister responsible for disability benefits when the Welfare Reform and Pensions Act 1999 was before the House. I do not need to remind hon. Members who were in the House at the time that the Bill had a rocky ride.

Justine Greening (Putney) (Con): I apologise for returning to the hon. Gentleman's earlier point about stabilising the figures, but I have been looking for a statistic. Is he aware that, since 1997, the number of young people under 25 claiming incapacity benefit has risen by 71 per cent. to 170,200? Does he agree that that statistic is particularly concerning?

Hugh Bayley: The hon. Lady should not pick among the figures. Any rise is a concern, and any reduction—there have been reductions among other age groups—is a benefit. The demonstrable difference between the Labour party's time in power and when the Conservative party was in power is that the number of people claiming incapacity benefit quadrupled under the Conservatives. Overall, the Labour Government have stabilised the figures, but we need to change that and get the numbers down. When the Conservative party came to power, 600,000 people were on invalidity benefit, so it must be possible to have fewer than 2.4 million people on incapacity benefit now.

When the 1999 Act was before the House, two points attracted criticism. The first concerned the changes to the contribution conditions for incapacity benefit and the second concerned the reduction in the value of incapacity benefit for those claimants who had occupational pensions. The Government responded to those criticisms by amending the legislation, but the controversy drew attention away from the Government strategy to increase benefits for severely disabled people who could not work and to start to provide support for people on incapacity benefit to return to work through the new deal for disabled people.

As many hon. Members have acknowledged, the Government have set an ambitious target to reduce by 1 million the number of people claiming incapacity benefit by enabling those people to get back into work. Having set such an ambitious target, I do not want the Government to make the same mistake now as we did in 1999 by giving the impression of narrowing the eligibility gateway to incapacity benefit instead of enabling people to overcome the limitations imposed by illness or disability in order to remain in work or to return to work.

The Government have demonstrated through the new deal for disabled people and, more recently, through pathways to work that, with appropriate help and support, people on incapacity benefit can return to work and, importantly, cope with work when they get there. Simply enabling people to get a job is not enough, because one must give them support to enable them to make a success of their jobs. Through the new deals, some 75,000 disabled people have come off incapacity benefits and returned to work.

In the UK, we reap the benefits of a flexible labour market so far as overall employment is concerned, but we still have an inflexible labour market when it comes to employment opportunities for sick and disabled people. Compared with other OECD countries, we have an acute shortage of occupational health services. We also have a rigid culture among both employers and employees that either one is well and working or one is limited by illness or disability, and off work temporarily or permanently.

As my hon. Friend the Member for Glasgow, North-West (John Robertson) said, far too many GPs still sign sick notes without recognising the cost or that work, perhaps with reduced hours or changed responsibilities, may aid recovery. We must ensure that welfare forms an important part of GPs' initial training and postgraduate education. Perhaps we should examine ways to reward GPs who use sick notes wisely in the same way as we reward GPs who prescribe rationally and wisely.

Dr. Ian Gibson (Norwich, North) (Lab): My hon. Friend will know that an important part of the assessment is that a doctor appointed by the Secretary of State will be chosen to help the decision maker to decide whether a person no longer has the capacity to work. How will those doctors be chosen and how will we know that they are doing this with some understanding at different stages of the process?

Hugh Bayley: My hon. Friend raises an important point. When I became the Minister with those responsibilities, there was no specific training in disability assessment for such doctors. The Royal College of Physicians introduced a postgraduate diploma in disability assessment medicine to train them and it was intended to ensure over time that all doctors

[Hugh Bayley]

working for the Department for Work and Pensions would be trained in disability management. That is an extremely important part of the package.

There is a shortage of vocational rehabilitation services, including medical and psychological services and practical help with overcoming functional impairments. A study in 14 OECD countries, "Transforming Disability into Ability", which was published in 2003, compared the number of people who each year go through vocational rehabilitation with the number flowing on to long-term incapacity benefits. In Norway, Denmark and Korea, more people get access to vocational rehabilitation than go on to incapacity benefits. In Germany, Sweden, the Netherlands and the United States, about 50 per cent. of the number who go on to incapacity benefits get access to rehabilitation services. In Switzerland, Australia and Portugal, the figure is some 20 to 30 per cent. In the UK, it is still less than 5 per cent. We are second lowest of the 14 OECD states in the study.

More revealingly, the study calculated that spending on vocational rehabilitation as a percentage of spending on disability benefits varies enormously. In Norway, Germany, Sweden, Switzerland, Portugal, Australia and Belgium, spending on rehabilitation is between 70 and 100 per cent. of spending on incapacity benefits. In Denmark, Korea and the United States, the figure is about 50 per cent. In the UK, along with Poland, Austria and the Netherlands, we spend less than 20 per cent. of the amount spent on benefits for long-term sick and disabled people on rehabilitation. It is therefore not surprising that fewer people are rehabilitated in the UK or that the number of incapacity benefit claimants here is higher than the number of people claiming similar benefits in most other OECD countries. It is important to complement the measures in the Bill by substantially increasing the resources available for vocational rehabilitation. That would gain widespread support from organisations representing disabled people.

Within the national health service, there has been a substantial increase in resources for rehabilitation. However, its priority is to rehabilitate hospital patients to the point at which it is possible to discharge them so that they may return home, and not necessarily to continue the rehabilitation to the point where they can return to work. The NHS needs to earmark more resources for vocational rehabilitation.

The Government should consider creating financial incentives to reward successful cases of rehabilitation. As the hon. Member for Runnymede and Weybridge said, huge savings accrue to the DWP and the Government when people come off incapacity benefit. Those savings should be recycled to pay for more people to be rehabilitated.

There are lessons to be learned from abroad, although not necessarily from the Netherlands, where, as my hon. Friend the Member for Bradford, North (Mr. Rooney) pointed out, there is an incentive for employers to rehabilitate their staff because they carry the cost of somebody being off work for the first two years of absence. That is not the situation in this country. We could perhaps learn a better lesson from Germany or Switzerland, where, under the Bismarck insurance scheme, employers pay into a common fund that gives cover for health, rehabilitation and pensions. The German phrase for such funds is "Rehabilitation vor Rente"—"rehabilitation before pension". Those insurance funds have an incentive to rehabilitate, because the person then goes back to work and starts paying contributions again. If the scheme fails to rehabilitate, it ends up paying a pension for life.

There have been similar experiments in Sweden, where pilots have merged benefits and health budgets at local level to pass benefits savings on to health care providers when rehabilitation successfully gets people back to work. I should like our Government to adopt a similar approach. Perhaps a simple way to pilot it would be to give a health and vocational rehabilitation purchasing budget to the managers of the pathways into work pilots. If the NHS does not have the incentive to rehabilitate to the point at which people get back to work, we need to create an incentive for the DWP to reap the financial benefits when somebody is successfully rehabilitated and returned to work.

When the Conservatives were in power and unemployment broke the 3 million barrier for the second time, a Conservative Chancellor of the Exchequer said that, sadly, there was no alternative. The record of this Labour Government in their first two terms has shown that there is an alternative. For fit people of working age, unemployment has fallen dramatically to fewer than 1 million. That is something that this Labour Government will be remembered for. The challenge for the third term is to show that there is an alternative for people on long-term sickness and incapacity benefits. The Bill shows the way forward, but it needs to be complemented by greater investment in rehabilitation services.

6.26 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): It is a great pleasure to follow the hon. Member for City of York (Hugh Bayley). I agree with the stress that he puts on the need for more emphasis on rehabilitation in the training of doctors and a greater sense of awareness, particularly among GPs, of the importance of work and occupational health as a route to dealing with medical conditions. The medical practice in Camden in north London where the idea of having an employment adviser within the practice has been piloted has received visits from all the Front Benchers present, and it is probably getting sick of politicians trooping through the place. The lesson to be learned is that such a measure can have a great deal of success in helping people back to work, as well as reducing medical bills.

This debate has been delayed for far too long. The fact that more than 2.5 million people remain on incapacity benefit is unacceptable, and it is a disgrace that that group has been so long neglected by Governments of both parties.

The Minister will be pleased to hear that we strongly agree with the principles behind this reform—principally, that society should play a much more active role in enabling the sick and disabled to take the opportunities afforded by participation in the labour market. That objective is vital not only for the individuals concerned but for society as a whole. As has been said, work is the best route out of poverty, and we all benefit, as a society, from higher levels of economic activity.

While supporting the principle of welfare reform and many of the measures in the Bill, we are concerned because the Government's proposals are short on detail, because there is a shortage of funding in some respects, and because they rely for delivery on a Department that is under massive pressure. Liberals have long believed that freedom is curtailed by poverty and disadvantage. Today, my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) again made tackling poverty a top priority for Liberal Democrats. Welfare reform is central to that objective.

Despite the long wait, the Bill gives every impression of being rushed in some respects. Huge chunks of important policy detail are relegated to secondary legislation, and by leaving Second Reading until just before the recess, the Minister gives himself time to work out the detail in many of those areas. The carry-over procedure, which will be the subject of a later motion, was neither designed as a general catch-all to allow Departments to delay legislation nor to apply to Bills that had not been subject to pre-legislative scrutiny. If the carry-over motion is to have all-party support—it was intended that such motions should—the Minister for Employment and Welfare Reform must provide a specific justification for using it in the case that we are considering. I hope that he will do that in his winding-up speech.

I hope that the Minister can also give a clear assurance, linked to my previous point, that sufficient time will be allocated in Committee to allow full scrutiny of the Bill's important provisions. That will require the Government to publish in draft the key statutory instruments—the Minister undertook to do that in answer to oral questions—but I hope that he will include those that deal with the level of benefit, rules of entitlement to benefit, the capability assessment and the other proposed medical assessments, conditionality, the housing benefit reform and sanctions.

The Bill proposes a framework of additional responsibilities for claimants, but that can be fair only if the state and employers take their share of responsibility. As the Disability Rights Commission said:

> "In return for effective opportunities and support, we believe it is reasonable to expect more people to move towards work. Without effective opportunities and support, it is not reasonable to expect greater responsibilities of claimants."

The evaluation of pathways to work shows that the scheme has markedly improved employment outcomes. It incorporates the individually focused approach that Liberal Democrats have long advocated, and we welcome its success. However, unless the roll-out of the scheme is properly funded and coherently planned, I have grave concerns about whether it can fulfil all the expectations. The Government have allocated £360 million, as the Secretary of State said, to rolling out pathways to work. However, we still do not know exactly how much of the figure will be spent on doing that. Will the Minister give us more detail today? Will he tell us how much money will be spent on the new computer system needed to administer the new employment and support allowance benefit?

Even if all the £360 million were spent on rolling out pathways to work, our calculations, based on the amounts that have been spent in the pilot areas, suggest that the figure is more than £250 million short simply for dealing with the needs of new claimants. If the objective were to support all eligible claimants, the welfare black hole would be even greater. Given the cuts at Jobcentre Plus, it is also unclear whether there will be sufficient well-trained personal advisers, let alone extra resources from the Treasury, to deliver the scheme.

Although the Secretary of State did not mention the matter, the newspapers report that the Government have tacitly admitted that the funds are inadequate by suggesting that the support through pathways to work should be targeted at those with children. Will the Minister confirm whether that is the Government's intention?

The Government have made it clear that they want to target pathways resources in other ways. For example, the city strategy is a welcome attempt to tackle concentrations of incapacity benefit claims by joining up resources in specific cities. However, there is a worrying neglect of the challenging issue of helping claimants in rural and remote areas back to work, not to mention the pockets of deprivation found in rural towns and villages. I hope that the Minister can deal with that point, which was also made in an earlier intervention.

It is worth pointing out that the success of pathways to work has not been even for all groups. The Department-funded evaluation, which the Institute for Fiscal Studies carried out, found no statistically significant improvement for people with mental ill health as the primary reason for their claim. Age Concern said that the scheme had been much less successful for the over-50s. Better support for both groups is vital if welfare reform is to be a success.

The voluntary and private sectors can be highly successful in getting people back to work. In some ways and some places, they have been more successful than Jobcentre Plus. I highlight the work of the SHIRLIE project in Inverness, in my constituency. It helps especially those with learning disabilities back to work. The working neighbourhoods project in Parkhead in Glasgow has received several visits from politicians, but has also been successful in targeting not only those on incapacity benefit but a range of disadvantaged groups, through one joined-up project.

However, it is important to ask how the experience of the voluntary sector will be used throughout the country. The current plan is a bit of a dog's breakfast, with Jobcentre Plus delivering 40 per cent. of provision and the voluntary and private sectors being used for the remaining 60 per cent. If the voluntary sector is as effective as the Government say it is—we agree about that—why will their expertise not be on offer throughout the country?

Work-related activity must reflect the nature of a person's impairment. Specialist as well as more local providers should therefore be contracted to help specific client groups. There should not simply be big contracts with big providers.

[Danny Alexander]

In dealing with the needs of people with mental health problems, we need to ensure that there are enough trained therapists throughout the UK, as Lord Layard, for example, proposed. Given the five-year training for many of those roles, what plans have the Government to train people to fill the roles that will be needed if welfare-to-work support is to be properly available for people whose first reason for claiming benefit is mental ill health?

In proposing the new employment and support allowance, the Government have missed an opportunity to simplify our enormously complex benefits system. They have also missed an opportunity to tackle the poverty and low income traps that remain far too prevalent in the benefit system, not least in the tapers for housing benefit, council tax benefit and income disregards. There is an opportunity to unify the system. The income disregard is currently a great deal smaller than that for incapacity benefit. That means that although the income disregard for incapacity benefit may encourage people to try out work for a few hours a week, they then get caught in the housing benefit trap, which leads to their losing benefit and acts as a strong disincentive to taking work.

Will those who receive the income-related employment and support allowance, who would previously probably have been entitled to income support, also be entitled to passported benefits—for example, free NHS prescriptions and dental treatment, free school meals, funeral expenses and so on? That is important for many claimants. Unless the Minister can clarify the matter, there may cases of the new benefit leaving people worse off.

Will the Minister also explain why employment and support allowance, once decided, is not to be backdated to the start of the claim? Not doing that will cause serious problems for some people, especially those who leave work or statutory sick pay, or younger claimants who will be penalised through the reduced rate that applies in the early phase of the benefit.

I want to consider the proposed medical assessment process. The incapacity benefit medical assessment desperately needs reform. It is subject to persistent concerns about unfairness and poor decision making, especially about mental health. Some 50 per cent. of appeals are granted. A working group is considering improving the assessment, and I welcome the Secretary of State's commitment to ensuring that more detail is available before the Committee discusses the matter. It is vital for the Government to get it right. The Royal College of Psychiatrists want rigorous testing and evaluation of the new assessment system for those with mental health conditions. In a written answer, the Minister suggested that some sort of testing, but not a formal piloting process, will take place. Will he explain exactly how the new assessment will be tested?

John Robertson: Does the hon. Gentleman agree that there should be rigorous testing of GPs and the way in which they examine some of their patients to whom they give sick lines so readily?

Danny Alexander: The hon. Gentleman makes an important point, which the Minister should address. There is also a problem with appeals. Roughly 50 per cent. of GPs do not reply to requests for information for the first medical assessment. It is only when the appeal phase is reached, and the GP then provides information, that the appeal is successful. There may be a link, which the Government should explore, between those factors.

Mr. Weir: Does the hon. Gentleman accept that one of the problems with the assessment process is that many people who go for an assessment feel that the person conducting it does not have sufficient knowledge of the specific condition from which they suffer? If we are to make changes, it is important to ensure that all those who conduct assessments have sufficient knowledge of the person or condition that they assess.

Danny Alexander: I agree. The hon. Gentleman makes an important point. It is a common complaint that the test takes into account someone's condition only on that specific day. The new test needs to deal better at dealing with fluctuating conditions and progressive conditions, such as multiple sclerosis.

Mr. Philip Hammond: There seems to be some confusion about whether the new personal capability assessments are to be piloted. When I mentioned the matter earlier the Secretary of State appeared to suggest that they would not, and that there would be testing rather than piloting. According to my Library briefing, the Department's response to the Select Committee report states, on page 8:

> "The working groups are due to report to DWP Ministers by September 2006, after which there will be a period for piloting the revised PCA."

Perhaps the hon. Gentleman would care to comment on that.

Danny Alexander: I have already expressed the view that this proposal should be subject to rigorous piloting. I hope that in the Minister's response—

The Minister for Employment and Welfare Reform (Mr. Jim Murphy) *rose*—

Danny Alexander: I shall give way to the Minister, so that he can tell us now.

Mr. Murphy: I am sorry for intervening on the hon. Gentleman, because I know that many hon. Members wish to participate in the debate, but I want to clarify the confusion. It is our intention that once the review has concluded in September, we will run both systems in parallel with each other to ensure that proper testing takes place. Whether we call that a dummy run or piloting, it will be an effective way of ascertaining whether we have got the new system absolutely right. We shall compare it with the current assessment of existing cases.

Danny Alexander: I am grateful to the Minister for clarifying that point—*[Interruption.]* However, my hon. Friend the Member for Somerton and Frome (Mr. Heath) has just suggested from a sedentary position that it is possible for both systems to be wrong at the same time. The Minister's plan is not necessarily a guarantee of success—

John Robertson: They could both be right.

Danny Alexander: They could, but I shall certainly be keen to see a lot more details of the testing that the Government have in mind. Perhaps the Minister will say more about that when he winds up the debate.

It is also important to understand how the new capability assessment relates to the proposed work-related health-focused assessments. If only those on the work-related activity premium are to be subjected to the latter, but the two assessments are supposed to take place at the same time—as it says in the explanatory notes—how will it be decided whether it is appropriate for someone to move on to the work-related health-focused assessment at stage two? Will that decision be taken on the day, or will they be invited back?

It will be disappointing if, as has been hinted, the new assessment is still to be based purely on a medical model of illness and disability. A test that can take account of psycho-social factors and the barriers that disabled people face would give fairer outcomes. The Government recognised in their Green Paper that the term "personal capacity assessment" had negative connotations. However, so does a test for "limited capability". If the tests are to be taken together, they should be given a different name, such as the labour market disadvantage test. That would signpost a different approach, focused on identifying impairment-related barriers to work. I hope that the Government will consider that suggestion.

I want to turn now to the conditionality arrangements in the Bill. The principle of responsibility is an essential part of liberalism. Provided that comprehensive support is available to help individuals to get back to work, and appropriate safeguards are in place to protect the most vulnerable, the idea that people should take responsibility for engaging with the available support is one that we encourage. Indeed, it must surely be a central objective of policy to reach a position where disabled people are supported to the extent that they can play their role as full and active citizens, with all the rights and responsibilities that that entails.

However, we have some concerns about the conditionality regime as it is proposed in the Bill. Conditionality will apply not only to engaging with support through work-focused interviews, which we support, but to work-focused activity and, according to the Bill, to taking part in additional work-focused health-related assessments—although the Secretary of State suggested in response to my intervention that the Government had now dropped that plan, which sounds quite sensible.

Pathways to work will need much higher investment if the balance between the quality of support and the personal responsibility of the claimant is to be fair. That is particularly important if the receipt of benefit is to be conditional on work-related activity. Nor, in the Government's proposals, is there any limit to the period for which conditionality will apply. If someone has struggled to enter the labour market for a long time without success, despite benefiting from the full range of support on offer, should they really be forced to continue to take part in fruitless activity?

By leaving the details entirely to secondary legislation, the Government are allowing the possibility that a less compassionate Government—or, indeed, the present Government in one of their less compassionate moods—could increase the sanctions and reduce the support.

Mr. David Ruffley (Bury St. Edmunds) (Con): Yes, Labour.

Danny Alexander: I hear a "yes" from the Conservative Front Bench. Perhaps the hon. Gentleman is anticipating an occasion on which he could do exactly that. This is why we need to be careful about what is in the Bill and what is to be introduced through regulations. We remain to be convinced that the safeguards in the system for vulnerable people are sufficient, and a robust system of appeals must also be put in place.

As the hon. Member for City of York rightly said, preparing disabled people for work is not enough if there are no employers ready and willing to take them on. On this point, the Bill and the Green Paper are both lamentably silent. Much more could and should be done to work with employers. For example, the access to work scheme is one of the Government's best kept secrets. According to their own figures, for every person helped through the scheme, there is a £1,400 net benefit to the Exchequer and a £3,000 net benefit to the economy. Yet still the Government fail to promote the scheme adequately, and about 80 per cent. of small employers are unaware of it.

The Government should use the Bill as an opportunity to invest in the promotion of the access to work scheme, particularly to small businesses, and to make changes to the way in which access to work decisions are made, so that people will know their access to work entitlements before they approach an employer. Also, I hope that the Minister will review the decision to remove the access to work scheme from central Government Departments. The DWP's poor performance in employing disabled people sets a bad example.

The Employers Forum on Disability has pioneered the auditing of disability standards for employers. The Government should consult on a duty for larger employers to carry out such audits because, as the forum makes clear, this should not be seen as a burden. After all, disabled people are customers, employees, stakeholders, partners and competitors, and 82 per cent. of customers with disabilities surveyed recently have taken their business to a more disability-confident business competitor in the past 12 months. Each year, 25,000 people leave work due to injury and ill health, but this drain of talent is unnecessary. Forty-three per cent. of European workers say that they could work if employers made adjustments.

I hope that the Minister will also take the opportunity that the Bill provides to pick up the idea proposed in a 10-minute Bill by the hon. Member for Glasgow, North-West (John Robertson). I am sure that the hon. Gentleman will say much more about that in his speech, and I do not wish to steal his thunder.

[Danny Alexander]

However, his proposal for rehabilitation leave is a significant one, and it could make a real difference.

I now turn to the Bill's proposals on housing benefit reform. The proposed local housing allowance has some positive features, but the evaluation has shown that although some benefits have emerged, there have been fewer than had been hoped. The Bill provides welcome simplification of the process of obtaining extended payments when a claimant enters work or has a significant rise in income. The Liberal Democrats welcome the steps to encourage greater financial responsibility. I am pleased that the worries about increases in rent arrears—which the hon. Member for Runnymede and Weybridge (Mr. Hammond) mentioned—and about evictions have so far not been realised in the pilots.

The evidence from the pilots also suggests, however, that the objective of simplifying the administration and reducing administration costs has been undermined because the new vulnerability assessment—which I welcome—is needed to help people who cannot manage direct payments. So the savings that will be made by administering the new benefit will have to be balanced against the increase in administration needed to make the vulnerability assessment work properly.

There has been a welcome fall in the number of people facing a shortfall in their rents in the pilot areas. However, this depends on how the local housing allowance rates are set. They are set according to broad rental market areas, and are based on the local market rent. Different outcomes can therefore be found in different areas. In Conwy, for example, Shelter found that only 10 per cent. of property was affordable for local housing allowance recipients, whereas the figure was 55 per cent. in Edinburgh. Perhaps rent officers should be guided by the statutory minimum proportion of affordable property in each broad rental market area when establishing those areas. Given the housing and benefit provision duties of councils, it would be reasonable to require the rent service to consult them on the setting of broad rental market area boundaries.

The pathfinder areas were given significant extra financial resources to provide financial advice and help to those who had not received direct payments of housing benefit before. I hope that the Minister will make it clear that that will continue as the new system is rolled out across all the local authorities, because in many areas, help such as that provided by Citizens Advice was crucial in preventing the short-term drop-off in payments and subsequent rise in arrears and evictions that the hon. Member for Runnymede and Weybridge mentioned.

The Liberal Democrats have always opposed the single room rent, as did the present Secretary of State, and the Prime Minister, when the Conservative party introduced it. It will continue under this Bill, however, in a slightly different form—the shared room rate. While the shared room rate is slightly more generous, the basic unfairness and large rent shortfalls will continue. We will introduce amendments to scrap it, which we hope will have the support of all those who voted against the single room rent when it was introduced in 1996.

I now turn to the provisions relating to antisocial behaviour. Liberal Democrat Members bow to no one in our determination to deal with antisocial behaviour, as the performance of Liberal Democrat-run local authorities across the country will show.

Mr. Khan: Say it with a straight face.

Danny Alexander: I did say it with a straight face, because it is true. However, the people who suffer from antisocial behaviour want measures that work on the ground, not just on the front page. We will need to examine in Committee whether the proposal will deliver a real benefit, or whether it is just a gimmick to provide headlines for the Government.

Mr. Greg Hands (Hammersmith and Fulham) (Con): My impression has been that the Liberal Democrats have pretty much opposed every piece of antisocial behaviour legislation. Can the hon. Gentleman go into a little detail about why he opposes this measure? It seems to me that it is removing housing benefit from people who have already been evicted for antisocial behaviour, and is essentially designed to get such people to undertake a rehabilitation course?

Danny Alexander: I am grateful for that intervention, as it gives me the opportunity to point out that, as my colleagues reliably inform me, Liberal Democrat and Conservative Members have been in the same Lobby on most votes on antisocial behaviour. We will not take any lessons from the hon. Gentleman on antisocial behaviour. If he is interested in discussing antisocial behaviour, he might care to reflect on ideas such as acceptable behaviour contracts, which have been pioneered by Liberal Democrat councils such as Islington, and which have even been celebrated by Government Members; perhaps when they did not realise that they were Liberal Democrat ideas. If he had listened carefully, he would recall that I said that the measure would need to be examined carefully in Committee to see whether it will deliver a real benefit.

Mr. Love: The hon. Gentleman is absolutely correct that the rehabilitation courses suggested will need to be considered carefully. As I understand it, however, the Government are suggesting that there should be a number of pilots over two years. Is not it sensible to wait for the results of those pilots?

Danny Alexander: I am aware that the Government have said that there should be pilots for the measure. Ministers, although not the Secretary of State, have also said that the number of occasions on which they expect it to be used is very few—

Mr. Laws: Tiny.

Danny Alexander: As my hon. Friend says, the word used was "tiny". What we will learn from the pilots I do not know. As I said, we will need to scrutinise the proposal carefully in Committee.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): Given the hon. Gentleman's declared Liberal

Democrat opposition to this policy, will he say whether any Liberal Democrat councils will agree to be part of the pilot scheme?

Danny Alexander: As a good Liberal Democrat, I take the view that democratically elected councils should be in a position to decide such things for themselves. I do not share the authoritarian tendencies exhibited far too often both by Ministers and by Conservative Members. If the hon. Gentleman had listened carefully, he would know that I have not declared stringent Liberal Democrat opposition to the measure. I have said that it needs to be considered carefully in Committee. I was also about to make clear—this point may be of interest to some Members who intervened earlier—that there are still real concerns about the impact of the proposal on families with children. Who is being asked to take the punishment for antisocial behaviour? Is it the children of an antisocial tenant, or perhaps even the parents or siblings of an antisocial teenager? We need a lot of answers on that point. I look forward to debating the matter in Committee. *[Interruption.]* I am not sure whether that was an intervention, so I shall press on. Perhaps an acceptable behaviour contract would be appropriate.

In relation to the provisions on compensation for mesothelioma, I welcome the Government's steps to expedite the issue. It is important, however, that we get a proper answer to the point that the hon. Member for Barnsley, West and Penistone (Mr. Clapham) made in an intervention. Can the Minister ensure that the compensation process is as rapid as possible, and that it will extend to partners suffering from those diseases, such as wives exposed to the fibres while cleaning overalls? The issue has been much debated, and it is important that we press on, as time is of the essence.

The objective of the Bill is to help more people off incapacity benefit and into work. We support that objective. I hope that the Bill will receive its Second Reading tonight, so that it can proceed to Committee and the issues and flaws that I have identified can be addressed. We will work constructively to improve the Bill. Whether we support it when it returns to the Floor of the House, however, will depend entirely on the extent to which Ministers are willing to listen to the many concerns that exist both in the House and outside.

6.55 pm

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): All-party consensus usually makes me a little nervous. On a topical note, the high degree of consensus in relation to the introduction of the Child Support Agency should act as a salutary reminder that the fact that we all agree with something does not mean that we have got it right. Undoubtedly, however, the thrust of this Bill is right, sensible and carefully balanced. Both current and recent Ministers should be congratulated on tackling an issue that only a few years ago was toxically controversial, and producing a package of proposals that can command broad support, subject to debate about a number of specific and detailed issues of implementation.

I want to spend most of my time talking about the housing benefit elements of the proposals—housing benefit is an issue in which I take an almost unhealthy interest. Before I do so, I want to spend a few minutes on incapacity benefit, especially as it relates to my community. As my hon. Friend the Member for City of York (Hugh Bayley) was saying, just as national trends in incapacity claims tell us a great deal not just about the claimants but about the labour market, social and even cultural context, so local trends can alert us to something important going on, and warn us that we need to take action.

In my constituency, the leafy-sounding Regent's Park and Kensington, North, 11 per cent. of the working age population are on incapacity benefit—more than the number of people who claim incapacity benefit in the Rhondda, the equal highest percentage in London, and a higher percentage of the working age population than many areas traditionally associated with high IB levels, such as Barnsley, Bradford, Chesterfield and Clwyd. In addition, my constituency has 1,100 more claimants than in 2001, making it one of the largest increases in benefit take-up in the whole country. Therefore, something important is going on. We have some understanding of what is happening, but not necessarily of why it is happening. The message, of which I ask Ministers to take due note, is about the dynamic of London and London poverty, and not only about incapacity benefit. It requires us to take a much more robust approach to the analysis and treatment of such problems in London than has hitherto been the case.

Justine Greening: As a fellow London MP, I am listening to the hon. Lady with some interest, and she has a very good point. Some of the incapacity benefit claimants who come to my surgery are highly skilled people who, for one reason or the other, have ended up on that benefit. The current system is not really structured to help them to get back into work. For example, they might be ex-IT consultants who were offered what, for them, would essentially be remedial, basic IT courses. Perhaps she has experience of a similar group of people.

Ms Buck: Disturbingly, there seems to have been another outbreak of all-party consensus. That is absolutely true, and I was about to refer to precisely that problem.

In London and in my constituency in particular, there is an even sharper IB profile than can be seen in the country as a whole. The increase in mental illness and mental ill health is evidently a particularly strong driver of IB claims. In my constituency, 49 per cent. of IB claimants have a mental-health problem as their primary disorder, compared with 39 per cent. in the country as a whole. Claimants are younger, and—importantly—much more are black and minority-ethnic. That does not reflect the nature of the population disproportionately, but it demonstrates that we need a more sophisticated package of support than has sometimes been provided.

Mr. Khan: My hon. Friend has spoken of problems that are specific to London. Is she aware that the number of recipients of IB with mental or behavioural disorders increased from 21 per cent. in 1995 to 39 per cent. in 2005?

Ms Buck: I was not aware of that statistic, but it makes perfect sense in the context of what I am saying.

In my inner-city community and, I suspect, in others, we see a peculiarly compounded set of problems, leading to an extremely complex case load. Some people's first language is not English; some may have physical problems, which may be exacerbated by a range of mental-health problems. Let me return to what was said by the hon. Member for Putney (Justine Greening). The refugee communities in my constituency display all those characteristics, and define the problem very well. They include people with exceptionally high skills, and the level of education among them is significantly higher than that of the general population. Many of them have been victims of torture and have experienced the trauma of exile as well as their underlying conditions; many also have language difficulties. Nevertheless, they could contribute a great deal to the economy if they received the intensive support services that are needed to help them to work.

Let me give some examples. Ali, who was an architect in Sudan, now has to deal with chronic depression—unsurprisingly—and with damage to his back and legs as a result of torture, but is perfectly capable of working as an architect. The amount of help that could help him to use his qualifications is very limited. Fatima, who was a midwife, is also extremely keen to return to work. She suffers from mental-health problems, depression and back pain. She would be able to return to work, but is frequently sent on skills courses and asked to consider employment in the retail industry. She has neither the training nor the application for that.

It is not only refugee families that experience such problems. Dennis, whom I saw a few weeks ago, had a high-powered job in an advertising company until he had a nervous breakdown and was accepted as homeless. He is keen to return to work. Unfortunately, he turned down an offer of permanent accommodation because he was nervous about the area. The council then discharged its duty to house him, and now he is homeless on top of all his other problems.

Historically, we in inner London have not enjoyed anything like the success that welfare programmes have generally achieved in other parts of the country. The new deal has been less successful in inner London, and there has been a much lower take-up of tax credits. A range of excellent programmes, which I strongly support, do not deliver in the area. There is a real danger that that will happen again. If we do not accept the particular complexity of case-load needs and the existence of multiple disadvantages, compounded in many cases by housing problems, we will not be able to deliver the outcomes that we want.

That is even clearer when seen in the context of the London labour market, where we see a projected continued reduction in the level of entry to the lower-skilled jobs towards which so many claimants are directed in the first instance. If we do not raise our game in terms of the quality of skills training offered to those people, we will find ourselves trying to encourage them to return to a market that no longer exists for them.

What worries me greatly is that unemployed people, those on income support and, indeed, IB claimants who are anxious to return to the labour market, or at least to be diverted from long-term benefit dependency, are being leapfrogged by globalisation. A wider labour market throughout the south-east of England—and, nowadays, throughout Europe and worldwide—is taking the jobs that are needed by so many of our disadvantaged individuals.

Let me say a little about housing benefit. The Bill does not refer to the problems experienced by families in temporary accommodation in overcoming disincentives to work. The Department for Work and Pensions is running a small pilot scheme in Newham, "Working Futures", designed to help families paying the high rents that are charged for temporary accommodation and treated as if they were standard social housing rents for the purposes of benefit claims. Why is that a tiny single-borough pilot scheme?

My borough contains 3,000 households in temporary accommodation, of which 92 per cent. are not in the labour market. That compares with 67 per cent. of all social housing tenants. We can therefore assume that, almost at a stroke, 1,000 households in a single borough could be encouraged into work if their housing benefit were treated differently. As it is, those people are asked to clear a rent of £400 or £450 every week before they can gain any benefits from working. Given the interaction of the tapers, it is no wonder that most people feel that that is simply not worth their while. There are 100,000 families in such accommodation in the country as a whole. We should be bold and sensible, and roll out the pilot scheme as quickly as possible. The Treasury is spending £400 or £450 a week on housing benefit, which is lining the pockets of private landlords and trapping people in benefit dependency.

I generally welcome the roll-out of the standard housing allowance across the private sector, and strongly welcome the decision not to proceed with its extension into the social sector. The fundamental difference is that most private-sector tenants on housing benefit were already subject to shortfalls between rent and housing benefit. That is not the case in the social rented sector, so there would have been a huge number of losers. It would have been insane to proceed, and I am very pleased that the Government saw sense.

I worry about the possibility that the local housing allowance in high-value areas could result in more homelessness. The pilot schemes show a disproportionate impact in different areas. We may find that it works perfectly well in some parts of the country, but leaves us with a headache in others. I hope that we will watch the situation closely.

I, too, am extremely anxious about the sanctions for antisocial behaviour. I am pleased about the decision not to proceed along the lines proposed in 2003. I acknowledge that there will be pilot schemes, and that the proposal is infinitely better targeted and more carefully drawn up than the original version. I still believe, however, that in what will almost certainly be the majority of cases, because of the profile of families in social housing, families with children will find sanctions locking them further into a downward spiral of homelessness and debt. They simply displace the problem from one form of housing to another, without doing anything fundamental to deal with the problem.

In that context, I am aware of young children with personality disorders, including autism, whose control over their behaviour is extremely limited, but there is virtually no provision for helping families with such children. They are almost entirely outwith the support system. It is right to do what we can to take such families and individuals into intensive rehabilitation. Sanctions in respect of tenancy have to apply, but I believe that this will not be a productive way forward.

In summary, it is an excellent Bill with much to commend in it. I hope that it will be strengthened still further by a constructive set of proposals that will take us through Committee. I remain hopeful that in respect of one or two aspects of the Bill, there is still time for a rethink.

7.10 pm

Angela Browning (Tiverton and Honiton) (Con): I would like to focus on the part of the Bill that deals with incapacity benefit and on the problem of getting people with disabilities into work. A broad range of charities and organisations welcome and support the Bill, but that support is not unqualified. Those organisations and I have expressed many caveats about which we are concerned.

In response to the Green Paper, I submitted a document on the specific subject of Asperger's syndrome and how to help adult sufferers of it into work. I am grateful that the Secretary of State met me in March to discuss that paper; and that, last week, the Minister for Employment and Welfare Reform met me and a representative from the National Autistic Society, who runs the Prospect employment scheme. We discussed how best to interface with the Government's plans, and particularly how best to get this group of people into work.

Why Asperger's syndrome? There are reckoned to be about 332,000 people of working age who have an autistic spectrum disorder and are thought to be of average or above average intelligence. Of those who hold down a job, however, only 6 per cent. are in paid employment and among the high functioning end of the spectrum, the Asperger's group, only 12 per cent. That shows how low the figures are, yet we are talking about a group of people who are capable of education, in some cases right through to degree level.

When I try to describe Asperger's syndrome to people, I try to get the mix right and it sometimes sounds a bit quirky. If we think back to the second world war and those highly intelligent people who worked at Bletchley Park and cracked the codes, quite a high percentage are reckoned to have had Asperger's. That tells us the level of expertise and intelligence that those with the syndrome may have. At the same time, such people can be difficult to place in work. Why? It is not because they are learning disabled in the recognised sense of having an IQ of under 70, but because autism often presents problems of communication and social interaction and difficulties associated with ritualistic behaviour. That, despite their educational and training experience, makes them least well equipped for today's workplace. Even some of the most basic jobs on offer today demand good, socially interactive skills. Employers often want people who are good team players with good communication skills. Even stacking shelves in a supermarket demands being able to communicate with customers, to be polite, personally to direct customers to where the soap powder is stocked and so forth. Social skills are a core part of just about every job advert and they are likely to be important in the interview.

Placing those with Asperger's in work thus needs expertise. Those trying to help them must understand the condition from which those people suffer and must be able to develop their work-ready skills. As we described to the Minister last week, the Prospect scheme run by the National Autistic Society could be a valuable resource for the Government.

I want to pick up a point that others, including my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), have already mentioned—the fact that what we are talking about is not a cheap option. It is not something that can be read up in a textbook or that people can be briefed about for a few hours on a training course. It is not possible to learn how to help those people on that basis.

From my experience of working with and advising adults with Asperger's, I am aware of current problems. Some are already engaged in the process of trying to get into employment through job centres and other organisations, but the weakness is that much more time needs to be spent on developing their skills in preparing them for interviews or preparing a CV, for example. All of that is pretty routine, but the vast majority really need someone present with them during the interview process. That means that the employer as well as the potential employee need to be coached and prepared for the interview to come. That is necessary if people with Asperger's are to get a fair chance to be considered for a vacancy on the same basis as everyone else.

All too often—this is the key weakness—all the different stages are gone through with all the boxes ticked on job preparation, job coaching and preparing for the interview, but the problem is that those people seem to be left on their own to find the job in the first place. They are almost abandoned at that point. Finding the job is one of the hardest parts of the whole process, because in the main, we are talking about people who have great difficulty, if it is not within their own experience, in imagining what a job would be like. I recall one young man who repeatedly declared that he wanted to be an astronaut. It was totally unrealistic, but because he had seen it on television and identified what the job was, he felt quite safe and secure in saying that he wanted to be an astronaut. He could relate to that, but the truth is that he would have made an extremely good accountant.

We know from the people with Asperger's who get into work that they are extremely reliable. As with other conditions, however, such as mental health problems or learning disabilities, they present certain challenges from the employer's point of view. Sometimes they take up management time once they are in post. That is why helping them into a sustainable job involves more than just helping them to find the job or getting them through the interview process. It is not about having someone to do the job for them—they can do it themselves—but having someone to troubleshoot on their behalf once they are accepted into the workplace. Occasionally, things can happen that are quite difficult for the staff to deal with, but if someone comes in to troubleshoot the situation, it is much easier to solve the problem so that the individual can stay in the job.

As to how this particular group can benefit from the changes that the Government have outlined in the Bill and presented today, I am reassured that Ministers are now well versed about this condition and have a good understanding of what is needed. The challenge is whether they can procure enough specialist advice around the country to help that group of people access opportunities for work along with everyone else. The vast majority are desperate to work. Some may realistically be able to sustain their attention span only for part-time work, but whether it is just a few hours a week, whether it is part-time or full-time, those people deserve the same chance as everyone else.

I welcome the Bill, which I view as a huge opportunity and step forward, so long as the Government are able to provide the necessary specialist support. That will require resources, but we discussed with Ministers how specialist provision—it is already there, albeit through limited providers—can help us to roll out help nationally. We should be able to ensure that within any county, district or area, however divided up, at least one disability employment adviser is peripatetic. If job centres knew that, perhaps on a Wednesday afternoon, the person who specialised in Asperger's syndrome would be available in the region, it would be a huge step forward in helping those people into work.

I shall repeat one or two of the things that I included in the paper that I submitted to the Government, because they are important if the policy is to be successful. The worst thing that we can do is to set people up to fail. The impact on their mental well-being if they keep on trying and nothing happens cannot be overstated. However the Government approach that group, right from the beginning, they must distinguish those who cannot work from those who can, however limited the work, because for some people within that definition, as with those who have mental health conditions or learning disabilities, it would be grossly unfair to put them through the process of getting into paid work when that might not be the answer. They might, of course, benefit from doing voluntary work to which they do not have access now, so I would not want any of them to be excluded—to use the Minister's words—but identifying who can and who cannot benefit will be very important.

Clear information is needed on what happens to people who go through the process, but for whom work ultimately fails. We must know how we will pick up the pieces, or we will leave behind more damage than we started out with. Some thought must be given to what happens if work fails, although I hope that that would involve only a small minority of people.

Mark Pritchard: My hon. Friend makes her points very well indeed. Does she agree that, if someone is employed and it does not quite work out, it undermines employers' confidence in perhaps considering other people in the future?

Angela Browning: Yes, my hon. Friend is exactly right. That is why the schemes that work for people with Asperger's involve briefing the employers and having a buddy in the work place who can help to broker some of the day-to-day problems that occur. Those problems can be very simple. For example, people whose behaviour is ritualistic might be prepared to eat only between certain times of the day. I know of one person who will only eat between 1.15 and 4 pm. So if such people are put on the 12 to 1 lunch shift, they go to lunch, but they do not eat. They do not say anything and cannot communicate the fact that they are under stress. They come back to work, and they are clearly in state of great anxiety in the afternoon. It is easy-peasy to sort out that problem—it can be done as soon as someone knows that that is the problem. Those are the sort of things that need to be taken into account in briefing employers, so that they know what the difficulties are, so that they do not occur in the first place. Where the system works and works well, it is a delight to see, but that group of people need special treatment from the beginning.

I am pleased to see the Minister for Employment and Welfare Reform his place, as he has been extremely helpful to me on this subject.

The Government will get support, but I am still not convinced that the cost of providing the specialist so-called niche services has yet been thoroughly thought through. I have mentioned the fact that subcontracting immediately takes a slice of money from what is the already high per capita cost of providing a good quality service. I urge the Government to consider how they can contract directly, without top-slicing a chunk of money that is wasted, with the organisations that know what they are doing and have already made a difference to the lives of adults with Asperger's syndrome. The Government can make so much more difference if they get it right.

7.24 pm

Roger Berry (Kingswood) (Lab): It is a pleasure to follow the hon. Member for Tiverton and Honiton (Angela Browning). I congratulate her on her speech, and I am sure many other hon. Members agree with what she has said.

I shall speak only to part 1, on the employment and support allowance and related matters. I congratulate Ministers on the consultation that has taken place in getting this far—I might be slightly more critical than that in a moment, but just let me get that in first. We had about a year's consultation before the Green Paper. We had a proper Green Paper exercise and submissions where made to the Secretary of State. We now have a Bill. It has been a long process; it has not been a rushed process, with a Bill emerging from the clear blue sky. I congratulate my colleagues on the fact that we have had plenty of time to discuss these issues before debating the Bill on Second Reading.

My hon. Friend the Member for Regent's Park and Kensington, North (Ms Buck) made a comment about previous debates on incapacity benefit being toxic. My hon. Friend the Member for City of York (Hugh Bayley), who is no longer present, referred to the Welfare Reform and Pensions Act 1999. As someone who is prone not to scratch old sores, I will not go in that direction, but my hon. Friend the Member for Regent's Park and Kensington, North suggested that there appeared to be a degree of welcome consensus on where we go from here. That is true, and it is not something that could have been said five or six years ago.

The truth is that, because of events five or six years ago, many people in receipt of incapacity benefit and those who might receive it have become quite concerned about any new proposal and any change. They fear—dare I say it?—another cut in benefit, as under the previous Government and, sadly, as in 1999. Therefore, I start by praising the Bill, because of the clear assurance that it is not about cuts: it is about enabling disabled people and people with long-term sickness either to retain employment or to get back to work.

The problem with the number of people in receipt of incapacity benefit has never been one of fraud—it is about the most fraud-free benefit that we have—and it has never been about the benefit being generous. It is far from generous. People on incapacity benefit are usually living in deep poverty. Those two things have never been the problem. The problem is that we need to remove the barriers that prevent a very large number of people in receipt of incapacity benefit who want to get back to work from doing so. The Green Paper's sub-title, "Empowering people to work", is precisely what part 1 is about and precisely why we should congratulate the Government on introducing it.

We should never forget some of the basic facts that we are addressing. According to the Disability Rights Commission 48 per cent. of disabled people are out of work—virtually one in two. That increases to 79 per cent. for people with mental health problems, and it is 84 per cent. for people with learning disabilities. Those figures are shocking. They suggest that we must all address the current problems if we are serious about securing full employment for all.

The link between being out of work and being in poverty is stark and obvious, and the House does not need me to repeat the facts at length. Let me simply say that, in relation to the Government's laudable policy and success in taking children out of poverty, 40 per cent. of children with a disabled parent today live below the poverty line. Almost one in two children of a disabled parent are in poverty. Yes, we must talk the language of the right to work; we must also talk the language of taking children and their families out of poverty. Therefore, the emphasis must be both on ensuring that people who want to work and can work receive the support to secure fulfilling employment and on ensuring that people who cannot work get a decent benefit. Those two approaches are essential if we are to make progress. The implication is that more support must be provided for disabled people in those two ways.

Let me talk about securing employment. The Green Paper was a bit vague. The direction was absolutely right, but it was difficult to pin down one or two issues. The Bill is only marginally less vague than the Green Paper. If we are honest about it, that is the truth. I am not being critical; I am simply saying that that is the situation. The Government have rightly promised that draft regulations will be produced as soon as possible. To back up comments made by other Members—and because I feel strongly about this myself—I would be grateful if the Minister could say when draft regulations are to be made available. I hope that that will not be only for the first Committee sitting; a summer recess is coming up, during which we will all be busy working, and it would be good if we could have the draft regulations earlier rather than later.

On which provisions will those drafts focus? I was talking to a specialist the other day, and she assured me that the Bill gives the Secretary of State—or all the Ministers in the Department—400 or so separate powers. *[Interruption.]* No, exactly. Another specialist told me the next day, "No, there are 600 powers." I know not whether there are 400, 600 or 800 regulation-making powers in the Bill, but I know that there are a lot; there have to be a lot because the Bill is fairly vague. Can we have an assurance that these regulation-making powers will be published in draft form as soon as possible? When will that be, and which are the key areas that will be covered?

We need to know fairly soon what are the criteria for determining into which category of employment and support allowance a recipient might fall. How do we distinguish between those two groups? I cannot answer that question. We need to have some information on benefits, in order to make sure that people will be better off and not worse off. We also need to know more about how conditionality will work. Who will make the decisions? How will the appeals process work? In respect of a Bill of this kind, it is understandable that we do not have such details before us today, but I urge Ministers to make them available as quickly as possible.

On funding, the hon. Member for Tiverton and Honiton is absolutely right that in some circumstances supporting some disabled people back to work—or supporting them in retaining employment—might not be expensive but in other circumstances that can be quite expensive. If this job is to be done properly, the resources have to be found. I recall the Secretary of State saying at the time of the Green Paper that getting 1 million people back to work would save £7 billion for the Exchequer. I join the plea made by my hon. Friend the Member for City of York that a bit of recycling is a good idea. As people go back to work—

Danny Alexander: I totally agree with the hon. Gentleman's point, but it is not just a point about recycling money. It is also a point about the overall benefit to the economy. As the Organisation for Economic Co-operation and Development has said, active labour market programmes are a good way of spending money because they release more money back to the Exchequer. So we all win.

Roger Berry: I would not suggest that there is never a net cost, but the fact is that enormous benefits come from programmes of this kind. However, as my hon. Friend the Member for City of York pointed out, the UK's record in respect of spending on labour market programmes for disabled people is pitifully poor. The figure that I have in mind is a telling one: we spend 0.02 per cent. of national income—a fifth of the average European Union spend—on work-related programmes for disabled people. We can do better.

There is another issue that I must again raise. I know that the Government are now spending £62 million on access to work. That programme is one of the best kept secrets; 75 per cent. of employers have never heard of it, but those who have heard of it know how important

[Roger Berry]

it is—and many Members know constituents who have benefited enormously from it. When the Department for Work and Pensions writes to me that, for every £1 million spent, the Treasury gets back £1.7 million, it makes me ask: can I be assured that the DWP and the Treasury have ongoing discussions to ensure that access to work gets more money? I am deeply concerned at the announcement that that initiative will no longer be available for Government Departments. I know that it has already ceased to be available in the DWP. Before the Government go ahead with that decision, I urge them to provide evidence that it will not have a harmful effect. It is perfectly reasonable to say that Government Departments have large budgets—

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): I can give my hon. Friend and the House the reassurance that the Office for Disability Issues has said that it will monitor the situation, but of course all Departments are covered by a disability equality duty, which should mean that there is no detriment.

Roger Berry: I accept that, but I tabled parliamentary questions to all Departments asking how many disabled staff in each Department received support from access to work. It is interesting that some Departments simply did not know, and that others provided figures. Indeed, one Department—the Department for Education and Skills—to its credit has an earmarked fund, the reasonable adjustments fund, to deal with such requests. All I am saying is that I would like to be assured that there will not be any incentive on line-managers not to appoint somebody because they have a disability. If half a dozen people are coming for an interview for a post all of whom can do the job equally well so that the decision as to which to appoint is a marginal one, if one person will cost more money to employ because they are disabled, I would be worried, even in respect of a Government Department, that there might be an in-built bias to discriminate against that disabled person. As long as the situation is being monitored carefully, I will happily accept my hon. Friend's assurance that I have completely misunderstood the problem and that such situations will never arise—but I will still be looking for it, just in case. Ring-fencing funds for that purpose—which is apparently what the DFES does—might be a way around that.

Where are the 1 million jobs to come from? I have only two minutes left, but let me make a few comments about the important role of employers. I attended a breakfast meeting with the hon. Member for Angus (Mr. Weir). *[Interruption.]* I attended a breakfast on Thursday morning along with one or two Members—I can recall one of them at least—with the New Beginnings coalition, whose aim is to identify and help to dismantle the barriers faced by disabled people in employment, and particularly to ensure that employers are engaged in welfare reform. It is an organisation that my Front-Bench Friends will be well aware of, and it does sterling work. A number of issues were raised in relation to the employers' role, and I think that it is fair to say that there was a general feeling that most employers are not engaged in the welfare reform exercise very much at all. There was a comment to the effect that as employers to some degree interface with the Department of Trade and Industry, could we pass on the message that we know that the DWP has the major role to play in this, but the DTI might also put in some effort to using its good offices to persuade employers to adopt good practice in this regard?

There is a range of issues to do with using the private and voluntary sector in pathways to work. I have said for quite some time that, sadly or otherwise, I have often found that there are private and voluntary sector organisations that are far better placed to give support than many of our Jobcentre Plus offices; that is the truth. There are some very good voluntary sector organisations, but they need to have good contractual arrangements. In an advertisement that I saw in *SocietyGuardian* last Wednesday—if I can mention *The Guardian* without the Whips getting too irate—for the new pathways to work contracts, the key contractors were offered contracts of three years-plus, but if there are subcontractors, I hope that they get more than mere one-year contracts under this system. Organisations that provide such support must be able to work in decent conditions, not least because the good ones employ lots of disabled people, which is why they are very good at providing the service.

7.38 pm

Mr. Greg Hands (Hammersmith and Fulham) (Con): It is a great pleasure to follow the hon. Member for Kingswood (Roger Berry), who made a characteristically passionate and well-informed speech. I want to make a few brief remarks about cancer patients, and others facing long-term illness, before moving on to consider the housing benefit proposals in some detail and the proposal to introduce the new local housing allowance.

On cancer patients and their families, carers and supporters, I have in my constituency both Macmillan Cancer Support and CLIC Sargent, with which I do quite a lot of work on ways to reduce the non-medical costs of cancer and long-term care. There are some depressing statistics. In respect of those aged 55 or less, seven out of 10 households with a member suffering from cancer suffer a loss of income, with the average income fall being in the region of 50 per cent. I applaud the campaigns to reduce those costs, which are very expensive, especially in London, and include parking fees and congestion charging, as well as other medical expenses. We need to look closely at lightening the load on cancer patients and those close to them.

I turn to housing benefit and the new local housing allowance. Housing benefit is an important benefit and it is vital to scrutinise it and the proposed changes properly. It is currently paid to 4 million households in the UK—mainly low-income tenants but also people of working age and pensioners. Only 20 per cent. of those 4 million live in privately rented properties—the primary sector under consideration in this Bill—and a key test for the future of these regulations will be when and if they are applied to social housing.

The gist of the new local housing allowance scheme is that it pays a flat rate that varies only according to the size of the family and the area in which the tenant or household live. That contrasts with the current system, under which housing benefit is related to the total rent of a house or flat. Under the new LHA system, tenants have a chance to shop around for cheaper property and pocket the difference, or to trade up and make up the extra rent themselves. As I understand it, that scheme will be introduced only for future tenants and that existing ones will, in effect, be "grandfathered", at least for the time being.

The Bill also allows benefit reduction for those who commit antisocial behaviour and who refuse help in order to reform their behaviour. I shall not dwell on the idea for too long, but it has potential. As currently expressed, the scheme will kick in only after eviction and put the onus merely on going on a rehabilitation course. We could explore that idea further. In my constituency, too many tenants and residents have suffered for too long from the effects of antisocial behaviour, and they have seen little action from the outgoing Labour council in the past 20 years to combat the problems. The new Conservative council in Hammersmith and Fulham is certainly taking such problems very seriously.

In general, I greatly support initiatives to help those who are less well off in what are otherwise prosperous areas—a typical situation in large parts of inner London, including Regent's Park and Kensington, North, to which reference was made earlier. For example, I took part in the launch of the new Hammersmith and Fulham credit union a couple of months ago, which is a scheme designed precisely to help the less well-off in an area that is otherwise superficially very prosperous. However, a constituency such as mine contains many very successful people, as well as many who are struggling. In my view, otherwise wealthy areas that contain a large number of poor people have suffered badly under this Government through, for example, the changes to the index of local deprivation, the capping of council tax benefit at band E over a six-year period, the fixing of funding formulae against London, and so on.

As a former councillor, I have a lot of experience in dealing with housing benefit cases in my own constituency; in fact, I used to represent tenants at housing benefit tribunals. The "HB regs", as they used to be known, have evolved somewhat since the mid-1990s and have been updated many times, so I had to do a little updating myself before taking part in this debate. But I know from experience that changes to housing benefit need to be properly thought through and carefully piloted, and I certainly welcome the piloting approach that has been taken. Housing benefit has been particularly subject to fraud and poor administration over the years, as witnessed, for example, by problems in London councils during the late 1990s. We need to approach reform with caution, but reform is much needed.

Danny Alexander: Does the hon. Gentleman share my concern about how the areas in which the local housing allowance is being set are being decided? In a constituency such as his, which has well-off and not so well-off areas, the LHA could be set too high or too low for the people living there.

Mr. Hands: I thank the hon. Gentleman for his intervention. He is right and he makes the point well; indeed, I shall come to that in a moment.

I strongly support the general principles referred to in the Green Paper and agree that we need to get tenants to take more responsibility for their own financial affairs. That said, I shall now outline a few difficulties that I can foresee with the new LHA. Much depends on what constitutes a region or an area and, although it is obvious what is meant from the pathfinder studies in the nine local authorities, it is otherwise by no means clear. There are particular problems in London in setting the level of benefit. What constitutes a decent, normal market or median rent in London, given the huge discrepancies in rent levels in different boroughs across the capital? For example, rents in Barking and Dagenham or Havering are far lower than in Westminster, Kensington and Chelsea or Hammersmith and Fulham. Even within a very small local authority area such as my own, the difference in rent levels between Fulham—around the Hurlingham club—and in Shepherd's Bush can be huge, so it is very important that we define such areas well. I should be grateful for guidance from the Minister on this issue.

If such areas are made too big, the natural reaction may well be for people to move from expensive boroughs to cheaper ones, or from more expensive areas within a given borough to cheaper ones. Some might view that as desirable and say that it is merely tenants following market forces, but I am not so sure. If the different parts of London are to remain sustainable and solid communities, we need a range of people living in each. Pricing the poor out of the centre of London, or out of places such as Fulham, could have consequences that we need to consider carefully before going down that route.

Justine Greening: My hon. Friend is making a very good point. As recently as last Friday, I met the head teacher of my local school—the Elliot school—and one of the things that she is very passionate about is the fact that the children whom she teaches constitute a very diverse group. My hon. Friend is right to highlight the danger associated with this legislation. We need to be careful to ensure that we understand its impact.

Mr. Hands: I thank my hon. Friend. It is important to be careful both in setting the areas and in defining exactly how we are going to arrive at the median rent level. Of course, a big range will create much more potential for people moving out of expensive areas and into cheaper ones. I urge the Government—in London, at least—to make the regional considerations as small as possible and to make the areas as small as can reasonably be assessed. Indeed, the same should perhaps be done in other parts of the country.

In the Green Paper, the Government state:

> "tenants are able to compare how much support is available towards their housing costs in different areas and for different property sizes."

That is probably a great thing—we do want tenants to start looking around and assessing the economics of particular properties—but we do not want to encourage too much mobility out of the better-off areas.

Mr. Khan: Does the hon. Gentleman think that, if tenants are thinking about the price that they have to

[Mr. Sadiq Khan]

pay for accommodation, it will make them more responsible and lead them away from receiving allowances and toward paying rent themselves?

Mr. Hands: I agree entirely and in principle that this is a very good reform. I am simply saying that in constituencies such as ours, exactly how we define the median rent level and the area concerned needs to be approached with care.

We should also consider the potential for arrears. Although the Green Paper highlights the expectation that tenants set up standing orders to pay rent, there is clearly no compulsion to do so. Moreover, no consideration has been given to how councils might play a part in setting up such arrangements, or to the costs that might be involved to councils in offering services in this area if people get into trouble. In creating individual responsibility, councils might need to have resources to help such people get through the transitional period. I welcome the commitment given at the start of this debate to extending throughout the country the support being made available in the pathfinder projects to help tenants in more difficult and challenging circumstances to make that transition.

I want to talk about an issue that has not really been touched on this debate—the potential for overcrowding. There is a real risk, which has not been totally borne out by the pathfinder projects, that many tenants will trade down their accommodation, move into smaller premises, take the higher level of local housing allowance, save money on the local allowance by paying less rent than they really should, pocket the difference and use it for something else. Some might say that that is fantastic and that it encourages more responsibility on behalf of that tenant, but if it leads to more overcrowding in places such as inner-city London and my constituency, that could be an unfortunate consequence. I would be grateful for the Minister's views on what sort of protection can be put in place against people who are, in effect, moving to a much smaller property than they should be.

One of the most interesting aspects of this debate is the potential for extending the provisions to the 80 per cent. of housing benefit recipients who are in social housing. I have two practical concerns. I know that this aspect is not in the Bill, but there is the potential to introduce it. Having spoken to my council, I know that it believes that the local housing allowance would cost more to administer than current arrangements for its council tenants. It also thinks that arrears would probably increase in the social housing sector and that probably some transitional help would be needed for councils.

I would be interested to see some of the results for the nine pathfinder authorities. Regrettably, we have not yet got the final report from those authorities—I do not think that it is due till the end of the year—to enable us to assess the situation properly. There are some mixed experiences if one compares, say, Lewisham with Conwy, which I suppose is not that surprising when one considers the mix of housing stock and tenants in the two areas. Apparently, in the pathfinder areas, 56 per cent. of landlords said that the new local housing allowance scheme would make them less likely to let to housing benefit tenants due to fear or experience of arrears.

In answer to the hon. Member for Tooting (Mr. Khan), I think that we need to start giving people responsibility for their financial futures. Undoubtedly, some tenants will struggle with an incoming payment and outgoing payment when previously the cash flow was effectively hidden from them and managed on their behalf. But surely, as my right hon. Friend the Leader of the Opposition says repeatedly, we need to start trusting people and getting them less dependent on the state to do everything for them. Let us be bold and back the new local housing allowance.

In conclusion, we need to support this scheme, but we need to look at perhaps three or four areas where there are concerns. I would like the Minister to address them in his summing up. The first is the potential for mobility, both within an area of inner London and out of inner London into outer London. Secondly, there is the potential for the overcrowding of tenants to save money. Thirdly, there is the potential for greater arrears. Finally, there is the potential for greater administration costs, especially if the two schemes are going to be run in tandem, which I think is what the proposal states. Effectively there will be a lot of historic existing tenants on the existing housing benefit system, plus a large group on the new local housing allowance. I hope that the Minister will address those points.

We should welcome the new local housing allowance. We need to move ahead with caution. The current system is too susceptible to fraud, too complex and destroys individual aspiration. It is time for something better, but we still need a little caution.

7.52 pm

Mrs. Janet Dean (Burton) (Lab): I thank Ministers and officials for the intensive consultation that has taken place over recent weeks. As a member of a number of all-party groups and the chairman of the all-party group on lupus, as well as the all-party autism group, I know how much effort has been put into discussing the proposed reforms with MPs and patient groups. There is widespread support for the proposals in the Bill, which bring a real opportunity to change the way in which we look at disability and work. Although pathways to work has begun to change the culture of the system, employers need to be encouraged to retain and accommodate staff who may become ill or suffer an injury. The system needs to enable people to play as active a part in work as possible. Individuals need to have faith that the process is working for them.

I agree with the charity Rethink when it refers to people needing

"support and encouragement rather than negativity and discrimination".

I believe that the new system will be judged on its ability to focus on individuals' needs. In order to do that, there will need to be increased training for Jobcentre Plus staff and for doctors carrying out capabilities assessments. Although I recognise that, as now, people will be assessed according to how the illness or disability affects them, rather than which condition they have, there is a need for those who interview or examine individuals to have some knowledge of different conditions. They will need to recognise that those who have a learning disability or who are autistic do not need rehabilitation, but, as others have said, may need long-term support in employment or when there are changes in that employment.

Employees at Jobcentre Plus and personal advisers will need to recognise that many people, especially those with a mental health problem, may have their condition worsened if they are placed under too much pressure. Advisers will need to know that long-term conditions, some of which, such as lupus, are not well known, will vary between individuals. Indeed, conditions such as lupus do not just affect individuals differently; those who have the condition may feel quite well one day and be confined to their home the next. Some people with lupus have depression, or they may have memory or cognitive problems because of the cerebral involvement of their illness. Those who are assessing and working with those individuals will need to be aware of the varying nature of such conditions. The issue of training is not covered in the Bill and I would be grateful for reassurance that there will be such training in specific impairments, such as autistic spectrum disorders.

Alison Seabeck (Plymouth, Devonport) (Lab): My hon. Friend is talking about the range of different effects that illnesses can have on different people, particularly people with lupus. Does she agree that, as part of the assessment, there is some importance in interviewing not only the person with the illness, but the carers of that person, who are often better able to describe what is going with that individual?

Mrs. Dean: I certainly agree. Indeed, sometimes the person with a particular condition underestimates the problems that they have with it, so having a partner or a carer with them can be of great help.

Understanding of autism is still lacking among professionals. If the employment and support allowance is to work for people with an autistic spectrum disorder, more training for personal advisers, jobcentre staff and health professionals is essential. A tiered system of training could be developed to ensure that all personal advisers had a basic level of knowledge and could call on people at a regional level for more in-depth knowledge. Any organisations that are in receipt of contracts to work with individuals should also have adequate understanding of the needs of people with different impairments.

As the hon. Member for Tiverton and Honiton (Angela Browning) said earlier, about 260,000 of the estimated 330,000 people of working age in the UK with an autistic spectrum disorder are thought to be of average or above average intelligence and yet only 6 per cent. of all people with an autistic spectrum disorder are in full-time paid employment. We need to do better. However, unlike some of the disabilities, once a suitable job is found for someone with an autistic spectrum disorder, it is essential that continuing support is available while that person is in work. Because of difficulties in social interaction and communication, working environments can present many problems. Regular meetings or access to someone to call on can prevent the breakdown of a job and the sense of failure that may follow that.

That support to individuals in employment is best delivered by specialist agencies that have a deep level of understanding, as well as a commitment to ongoing support. For those with an autistic spectrum disorder, the National Autistic Society's prospects service has a proven success record of achieving lasting employment. Several patients' organisations have expressed their concern that contracts are tending to be awarded to larger, less specialised providers who may not be able to provide effective support for individuals with particular needs.

It will be necessary to monitor closely the categories of those who are found employment and who receive support in that employment. In that respect, there is concern about outcome-based contracts, if that outcome relates to numbers rather than the detailed analysis of those who have received help and are continuing to receive ongoing support. There is a great deal that the voluntary sector can offer in the provision of services. I was particularly interested to hear of the Citizens Advice suggestion that it and other organisations could be involved in the delivery of certain services, such as providing independent financial advice to people who are considering a return to work or advice to employers who need to know about the new benefit structure and their rights and responsibilities to employees with mental or physical health problems. Such use of the voluntary sector would also bring reassurance to those with an illness or disability.

One area of concern that has been raised by several organisations, and this evening, is that much of the detail of the legislation has been left to regulations. May we have a reassurance that sufficient time will be allowed for consultation on that detail? The effectiveness and responsiveness of the new system will depend on the detailed application of the legislation.

Another point of concern is the extension of the use of sanctions from attendance at interview to involvement in work-related activity, especially since it is suggested that that work-related activity could be changed by a personal adviser at any time. Sanctions should be applied only by qualified staff who understand the medical conditions or disability of the individual who might lose some financial benefit, rather than private or voluntary sector providers. If necessary, reference should be made to a person with greater knowledge of the condition, such as a hospital consultant.

Care will need to be taken before applying sanctions in all cases. It will be necessary to consider the impact of a person's disability on his or her ability to comply. For example, there must be consideration of whether people with a learning disability can understand what is required of them and whether they receive sufficient support to enable them to comply with the requirement.

I welcome the Secretary of State's earlier reassurance about those with mental illnesses, but Rethink has concerns about clause 17, whereby people could be disqualified from receiving ESA if their capability of work was reduced through their own misconduct, their failure to take medical advice without good cause, or their failure to observe the prescribed rules of behaviour. Patients with mental health problems might cease medication because of side effects. They could

[Mrs. Dean]

present with unusual behaviour, or might not attend for interview because of their condition.

People with autism might appear to be not engaging with the process because they have difficulty with social interaction. The difficulty that people with an ASD have with social communication can affect verbal and non-verbal communication, so facial expressions and tones of voice might cause misunderstanding. Along with difficulties with social imagination, which includes planning ahead and the flexibility of thought, those problems make it difficult to acquire and maintain a job. It is important that great care is taken when applying sanctions to those with chronic, long-term conditions that might fluctuate, such as lupus.

Lynne Jones (Birmingham, Selly Oak) (Lab): Does my hon. Friend agree that one of the best ways of helping people to get work-ready and to overcome the stigma that many experience when trying to get jobs from employers, especially if they have mental health problems, is for them to do voluntary work? Does she share my concern that the Department for Work and Pensions recently ruled that people doing voluntary work could no longer receive payments for lunch, or free lunches, while doing such work without that affecting their benefits, which is hardly in accordance with the social inclusion agenda?

Mrs. Dean: I agree entirely. It might be that some people with long-term conditions who would find it difficult to retain employment would be better advised to undertake voluntary activity when their illness allows, rather than feeling pressured to enter paid employment in which they might be destined to fail, which would have a consequential negative effect on their well-being. Although we want all people to have the opportunity to work, we must accept that the loss of benefit, however little that benefit is, in some ways, can cause some people great concern and make their condition worse. Voluntary work can be a real bonus to many people.

We must make sure that the Bill is seen as a positive effort to change the lives of people with illness and disability and to ensure that everyone can reach their full potential. Sanctions should be a last resort that are kept only for those who try to abuse the system. The success of ESA will be in the detail. We will need to ensure that staff are properly trained and that the focus is on the individual who needs advice and support to find and keep a job.

8.3 pm

Mr. Robert Syms (Poole) (Con): It is a pleasure to contribute to the debate, which has been extremely thoughtful and well considered. We have heard from a lot of people who are experts in the field, although I do not pretend to be one of those. I was certainly impressed with the speech made by my hon. Friend the Member for Tiverton and Honiton (Angela Browning), who certainly has great specialist knowledge. She and the hon. Member for Kingswood (Roger Berry) made very good contributions to the debate.

I would first like to talk about the antisocial behaviour aspect of the Bill. All of us have met constituents in our surgeries with antisocial neighbours on their estates. We thus write letters to the chief executive of the local council and feel frustrated not only for ourselves, but on behalf of our constituents. The right hon. Member for Birkenhead (Mr. Field) did us all a great service with his private Member's Bill on withdrawing benefit from those who displayed antisocial behaviour. I was initially pleased with the measures in the Bill, but the more I consider them, the more I think that they are rather disappointing.

The withdrawal of housing benefit is to be a threat after eviction, but I do not think that the power will be used very often. We heard from the Secretary of State earlier that the Government will be sensitive to situations involving children. The power will be used in very few cases. There would be merit in allowing local authorities to use housing benefit as a lever before they reach the point of eviction, largely because that might present the opportunity to modify people's behaviour before they lose their home and their families become homeless.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) made a good point about schemes that local authorities can run to provide rehabilitation and to change people's behaviour. It would be far better to have several sanctions that local authorities could use to improve people's behaviour, rather than the measure in the Bill, which can be used only after an eviction. As we know, an eviction is always an extreme case. I cannot foresee that the sanction would be used in very many cases. I do not understand the logic of the measure, so I hope that my Front-Bench colleagues will examine it in Committee.

Paul Rowen (Rochdale) (LD): Given that such people would have already been evicted once, does the hon. Gentleman agree that a more effective sanction would be a probationary tenancy, which would allow a local authority to remove an offending person immediately without going through the rigmarole of removing benefits?

Mr. Syms: The hon. Gentleman makes a good point. My central point about the antisocial behaviour measure is that although it sounds tough, it will not be used very often. If the powers were a little more sweeping, chief executives of local authorities and housing departments would be in a much better position to tackle the problem. The way in which neighbours are dealt with is one of the biggest problems that many of our constituents face.

I welcome the measures in the Bill on benefit fraud, including the "two strikes and you're out" approach, for which it is sensible to extend the relevant period from three to five years. I listened carefully to my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), who spoke with great experience about housing benefit and the local housing allowance. Generally speaking, I am in favour of the way in which the Government are going. It is sensible to move towards a more market-related solution, although I understand my hon. Friend's real concerns about how large a region or area is. London has specific problems because great discrepancies can be seen even a few miles apart. I certainly welcome the suggestion of further trials. However, in any sort of use of the welfare state, it is important, when possible, to increase the amount of personal responsibility that people have. We should not always assume that people have to rely on the state to do everything for the outcomes that they want.

When I first read the figures for incapacity benefit, I was rather shocked that 2.71 million people, or 8 per cent. of the working age population, are on incapacity benefit and that more than half those people had been on it for more than five years. I was also a little shocked to find that 40 per cent. of those people had mental or behavioural problems, because that is an extremely high figure. I also noted that the number of young people on incapacity benefit has gone up by 71 per cent. There is evidently a big problem.

As we have heard throughout the debate, if we are to tackle poverty and social exclusion, and deal with child poverty in particular, we must bite the bullet by tackling incapacity benefit and doing our best to get as many people as possible into the work force. The Government have set quite an ambitious target, whether the figure is 1 million or the 640,000 that my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) cited, but until we know all the details—problems with draft regulations have been mentioned—it is difficult to be too specific about several aspects of the Bill.

Early intervention is important. There has been little mention of the national health service, but we all know that some people on incapacity benefit are waiting for operations. They are thus waiting for the NHS to assist them by putting them in a position in which they can go back to work—so it is important to have joined-up government.

I welcome the fact that the Government are allowing private, voluntary or not-for-profit organisations to deliver some of the pathway projects, although I understand the concerns raised by my hon. Friend about their not being given enough latitude to bring innovation into the system. That is one thing that the private and voluntary sector can do.

There is an ambitious programme. According to the Library, even Poole has 3,200 people on incapacity benefit—about 6 per cent. of the working age population. That is a lot of people. If the Government's target is to be met, about 1,000 people will have to move from incapacity benefit into work. As my hon. Friend the Member for Tiverton and Honiton said, it is important that to do the assessment, there is a range of people who understand the problems that people have. With mental difficulties and behavioural problems, it is important that niche services are provided, so that we get it right.

As was mentioned earlier, the problem is that if we do not get it right, there are consequences both for the individuals if they go back into work and do not stick to a particular course, and for employers. If employers take on someone with a particular problem and it works out, they may go back and take on a second, third or fourth person. However, if it does not work out, the whole scheme may fail. It is important that we do not just focus on individuals. We also have to focus on employers and educate them. Clearly, if we are to mobilise a lot of people on incapacity benefit—many of them have specific problems, and niche problems—it will be a big job to educate employers on how to deal with that and to get the best out of them.

Broadly, I welcome the Government's direction. Much will depend on the details, and the detail in regulation. I am sure that my hon. Friends on the Front Bench will test many of the propositions in Committee. There is a degree of consensus, and it is important that we give this large number of people the right and the opportunity to get back into work, because of the impact that it will have on their lives, the state of their mental health and so on. As we all know, work is important. It must be very difficult for those who are denied it who feel that they have been sentenced to many years on benefit, without the tools to get back into work and to join in many of the things that the rest of us who have worthwhile jobs do.

8.12 pm

Miss Anne Begg (Aberdeen, South) (Lab): I welcome the tone of the debate on both sides of the House. It has been a positive discussion. That reflects the briefing papers that I received—perhaps other hon. Members were also deluged by them—from various organisations with an interest in welfare reform. There has been a general welcome for the principles of the Bill, although inevitably there was concern about the detail.

I want to concentrate on the first half of the Bill, which deals with disability and getting people with disabilities and ill health back into the workplace. Many other things in the Bill are also important, such as provisions covering lone parents, people over 50 and housing benefit. I am afraid that I do not have the expertise in housing benefit that my hon. Friend the Member for Regent's Park and Kensington, North (Ms Buck) has. She said that she had an unhealthy interest in housing benefit. I am glad to say that I do not, but I do know that it is very important to many of our constituents. They are often in a benefits trap because of housing benefit. That is a particular problem for those in the private rented sector. Their rent is so high that they cannot afford to get into work, but they cannot get a council house because, although their housing provision is extremely expensive, there is nothing wrong with it and the council think that they are adequately housed. However, the problems that my constituents face are nothing compared with those that the constituents of London MPs must face. I do not know how people can afford to live and work in London, because of the huge cost of housing.

It is important that the debate has been couched in the tone that has been used today. It has taken a long time for us to get to this stage. I remember a journalist at the last Queen's Speech saying that the Government would have to face down their rebels on welfare reform and that there would be huge opposition to it. Instead, we have discovered that there is no major opposition on either side of the House. That is a tribute to officials and Ministers at the Department for Work and Pensions, who have managed to change the tone of the debate by talking about welfare reform as a positive thing that will be good for people. They have said that it needs to be done, and that as a result, people will be better off.

Like my hon. Friend the Member for Kingswood (Roger Berry), I have spoken to disabled people and

[Miss Anne Begg]

they have been apprehensive about what reform means. MPs take reform to mean change for the better, but in the collective memory of many disabled people, "reform", "welfare reform" and "benefit reform" have meant changes that have resulted in them being worse off, with a worse service and less money from the Government. It has taken a long time to change their perception and to build up trust in the Government's actions as being something to their benefit, not to their detriment.

One way in which the Government have done that is by having examples of good practice that they can point to. Those examples are not only in the pathways to work projects. Many hon. Members mentioned specific programmes in their constituencies which have worked. Aberdeen Foyer has been incredibly successful in dealing with predominantly young people who live on the margins of society and who are often recovering drug addicts. It has delivered a number of welfare-to-work programmes, including progress to work and getting people to the job-ready stage, capable of doing a work-focused interview and getting into work. The examples exist to show that such success is possible. Whether it is down to DWP staff themselves, the third sector or, in some cases—this is particularly true in Glasgow—the private sector, there are models that work. That has begun to allay some of the fears of many disabled people.

It is also important that reform is not about saving money. Although ultimately it should save the Government money—partly because when people get off benefit and into work they will contribute to the Exchequer in the form of paying taxes, rather than taking from it—that is always a side issue. It must never be the central issue for any kind of welfare reform. The aim is to make welfare work for people, and for it not to be a barrier.

One of the big disincentives to work has been the welfare system itself. We talk about the different barriers that disabled people face, but disability or ill health is often not the primary barrier to disabled people getting into work. Sometimes that is three, four or five strands down the list. Child care and travel to work may be bigger barriers than a disability. There is no doubt, however, that the welfare system is one of the main barriers to work. That cannot be a good system.

Danny Alexander: I agree about the barriers to work in the welfare system. Does the hon. Lady share my concern about the taper for housing benefit and council tax benefit? On going into work, people find that they lose their benefit at the rate of 85p in every pound, so the incentive to work is much less than it should be.

Miss Begg: It is important that work must always pay. That is why I always have been a very strong supporter of the tax credit system; it has made sure that people in work are obviously better off than those out of work. Whether a taper at 85 per cent. for housing benefit or council tax benefit is correct—perhaps it is on the sharp side and could be flattened slightly—the Government's overriding concern must be to ensure that there are no disincentives in the welfare system, and that people do not think that they are working for nothing. I do not accept the argument, "Well I'm not working for £20 a week extra," because people are in fact working for £200 or whatever it is in benefit, plus the extra. If everybody took the attitude that they were working only for any amount above what they would receive on benefit, we would not have enough people in the workplace to pay for benefit for others.

Work in itself has value, not just because of social contact and many other reasons, but because it is easier for someone in work to get a better job. I am not as critical as many about people coming off incapacity benefit and going into entry-level jobs, because once they have on their CV the fact that they are able to sustain that job, they will be able to move up the chain of employment skills. They certainly cannot go in further up that chain without the experience that they gain from being in work.

Some organisations have expressed concerns that the Government must address. When pathways to work is rolled out across the country it is crucial that it must not be "pathways lite"—a watered down version. It has been so successful because of the investment and dedicated work of those in the DWP and in organisations brought in to provide the employment programmes.

I will not go on about what will be in the regulations, because that has been covered by other hon. Members, although all the organisations that wrote to me were certainly keen to have sight of them, and for the matter to be addressed.

I was going to say a great deal about the role of rehabilitation and preventive measures, but I could not possibly follow the comments of my hon. Friend the Member for City of York (Hugh Bayley), who summed up everything that I had planned to say on the issue far more eloquently. Employers have a responsibility to ensure that those who are already in work do not fall out of work, to keep them in work for as long as possible and to adapt the workplace to ensure that they remain.

I have some questions about work-related activity. Is there a role for somebody to become a perpetual volunteer? Some hon. Members have said that there must somehow be an end to work-related activity, when somebody must enter a job—but that might not be the best solution for everybody. I think of someone who has a progressive condition who would not want to be written off completely and be on the support element alone, and who would want the employment support element of benefit. Volunteering could provide enough hours to keep them in a workplace of sorts. Volunteering is not necessarily less valuable than paid work, so there might be a case for allowing someone to remain on the higher level of benefit but continually to have a volunteering role. That would overcome the problem that some face of putting their benefit in jeopardy as a result of volunteering.

I am also interested in the Government's comments on the backdating of holding benefit. I accept that holding benefit will be at jobseeker's allowance levels for those who are going on to the employment and support allowance, because that is at the level drawn by other unemployed people—but what about people who have been diagnosed with a terminal illness or have a rapidly progressive condition? If they have to wait three months to receive the higher benefit and it is not backdated, it might be too late for them. My hon. Friend the Minister for Employment and Welfare Reform is nodding, so hopefully there is an answer to that.

Finally I want to talk about where things are still very difficult and specific help must be given—in the area of mental health. Every organisation that has written to me, and all those to which I spoke last summer when I was consulting on issues in the White Paper, mentioned stigma and discrimination, and the fact that employers need to change their attitudes. That is still regarded by many with mental health problems as the biggest barrier to work. I do not have problems with conditionality, provided that it is there for a purpose, that it is not punitive and that the support is right. We often heard complaints that that would be a problem with the new deal for the young unemployed, but it turned out not to be so. Provided that the programme in which people are engaged is of a sufficiently high standard, conditionality does not become a problem, and instead acts as an incentive to get people through the door and over the threshold so that they can see what they can do to open up life for themselves.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. Clearly a large number of hon. Members are seeking to catch my eye. If Members take considerably less than 12 minutes each, it would be very helpful and allow me to call many more Members.

8.26 pm

Mr. Mike Weir (Angus) (SNP): I should like to say at the outset that the Scottish National party and Plaid Cymru are not opposed in principle to the objectives of the legislation.

In my experience, most people on disability benefits genuinely want to work, but there are many barriers to that aim and it is those rather than a wish to languish on benefits that prevent them from doing so. In so far as the legislation genuinely helps and encourages people, providing support for them to get into work and, crucially, to retain work, it will have our wholehearted support.

One problem, however, is that we are effectively debating in a vacuum, because we do not yet have the regulations that will set out the detail of the system. Mencap makes the telling point in its briefing that the Bill refers to regulations 243 times in its 73 pages, which is more than three times a page. I appreciate that the Minister has said that the regulations will be published prior to considering the Bill in Committee and that is welcome, but I reiterate that we need to see them well before that stage so that we can consider the detail and so that those of us who are lucky enough to serve on the Committee do not have to deal with them there and then.

The hon. Member for Aberdeen, South (Miss Begg) made some very good points. Like her, I arranged meetings with groups in my constituency and throughout Tayside to discuss the White Paper when it was first published. The meetings were useful. In some cases I was able to reassure people about some of the more wild stories. One headline in *Third Force News* read "Welfare Reform Plans Outrage Disability Groups". The reason behind it was a comment made by the Secretary of State about more responsibility and increased obligations. In the early stages, there was much concern among groups representing disabled people that the reforms would impact seriously on them. As it turned out, as is often the case, once the White Paper was published and looked at, people realised that it was not as bad as had been trailed.

The meetings were also useful because they enabled me to make a submission to the consultation. One of the principal concerns, which is reflected in various briefings that have been sent to us, is about the scope of the personal capability assessment. Every hon. Member must have had a number of constituents raising concerns about the operation of the current system and claims of inadequacy of the assessment by the medical practitioner appointed by the DWP. It is interesting but hardly surprising to note the findings of the report "Paying the Price: the real costs of illness and disability" for Citizens Advice Scotland, which noted that there was a 63 per cent. success rate among its clients who appealed against a decision. That must suggest that a significant proportion of decisions were incorrect in the first instance.

In particular, many of those I consulted were concerned that the people assessing them did not have sufficient expertise in their condition. Many felt that they were given a cursory examination by a complete stranger who lacked relevant experience, and that is reflected in briefings. For example, Mencap said:

> "The reform of the PCA must be carried out with expertise in learning disability factored in at every stage."

Rethink said:

> "People should have a choice as to whether examinations, assessments or interviews occur at their own homes or at examination centres."

Macmillan Cancer Relief made the very good point that people suffering from terminal cancer cannot be expected to go through the same assessment procedure as others. They should have the choice of being assessed at home, rather than in an examination centre. The more cynical could say that all those organisations are making special pleas for their own groups, but the crucial point is that they are all making the same pertinent argument. Whatever form the PCA takes, we must ensure that whoever carries out the assessment has expertise in the particular illness or disability from which the subject of the interview suffers.

Rethink makes an additional point that people who suffer from severe mental illness may not open letters or answer the telephone, not through ill will, but often through forgetfulness or disorganisation. That is a particular concern, as anyone who is deemed to fail to co-operate at various stages could face benefit sanctions. A reasonable person would conclude that allowances should be made for such situations, but I encountered a similar problem with a constituency case, related not to incapacity benefit but tax credits. My constituent has a bipolar mental illness, and for long periods she does not open mail or, in fact, deal with any of her affairs. She failed to fill in a form to renew her tax credits, and they were stopped. She

[Mr. Mike Weir]

received demands for repayment of tax credits, even though it appears that she would have been entitled to them had she filled in the form. The Department is insisting on repayment. I approached officials in the Department, but I was told that they had absolutely no discretion in the matter because the form had not been filled in.

I appreciate that that case does not relate directly to the Bill, but it shows what can happen when regulations do not take into account the specifics of particular conditions. Clearly, such situations are much more likely to occur in relation to incapacity benefits. I therefore urge the Minister to ensure that the regulations make provision for someone with sufficient knowledge of the condition to carry out the assessment. Alternatively, as some groups have suggested, much more weight could be given to a written medical assessment from people who are treating the applicant. At present, that does not seem to enter into the equation until the inevitable appeal.

There is genuine concern about how people on benefits would fare if they tried to obtain work. The CAB report disclosed that more than half of such people thought that they would need benefits protection while they tried work. That is a serious problem for those on benefits who would not automatically be subject to the new rules—at least, not initially—but who could volunteer for inclusion. Many fear doing so because they are concerned that, if matters did not work out for them, they could end up worse off than if they had simply remained on benefit. Serious thought needs to be given to the question of whether we could introduce a guarantee period, in which anyone who obtained a job that did not work out within the period would not be worse off. I appreciate that that would not be easy, but it would help a great deal.

The hon. Member for Tiverton and Honiton (Angela Browning) made a very good point about supporting people once they are in work. In the Norwegian scheme, there is a buddy system to help people who find work to complete the initial period, and to make sure that they stay in work. That is essential to allow people with mental illnesses and learning disabilities to become used to the work environment. In those cases, we are not talking about rehabilitation; in many cases, we are talking about getting people into work for the first time. I agree that those on the new allowance should receive automatic access to other benefits, as is the case for people on jobseeker's allowance. I appreciate that some things, such as prescription charges, are a matter for the Scottish Executive, but others are a matter for the DWP, and I think that the issue needs to be considered again.

Some organisations expressed concern about the use of private organisations to encourage people back to work. They feared that easy cases would be cherry-picked if payment is based on the number of people who returned to work, with difficult cases being omitted from the project. It is vital that that is not allowed to happen, as almost 90 per cent. of people with learning disabilities who are known to social services are unemployed. People with learning disabilities who are employed often work part-time and receive low pay. People with learning difficulties can work, and they want to do so. If the reform truly aims to help them into work, serious thought must be given to the provision of services so that we can ensure that providers encourage and support them into work. I was interested in what the hon. Member for Runnymede and Weybridge (Mr. Hammond) said on the subject, and in what the hon. Member for Tiverton and Honiton said about top-slicing. We must ensure that sufficient funds are provided for niche providers, whether or not they belong to a consortium, that provide the greater support required by that group. If we seriously wish to tackle the problem, the easy cases, if there are such things, must not be skimmed off and only those people helped back to work. Serious efforts must be made to ensure that people with lifelong disabilities are helped, too, which will entail serious discussion with employers on employment practices and, in some cases, their views on the employment of disabled people.

The supported group—I appreciate that I am arguing for both sides of the coin—should not simply be labelled as unemployable. The National Autistic Society has called for the establishment of a clear system so that that group receives appropriate advice about work and training opportunities, as well as reassurance that their benefits will not be jeopardised. The reform must encompass everyone and, although I accept that Ministers face a difficult job in balancing all those concerns and desires, we need early sight of the regulations. That leads me on to one area where there may be serious disagreement about the Government's strategy. The Bill appears to be driven by a desire to save money but, if we genuinely wish to do so, we must achieve joined-up thinking between Government Departments and the devolved Administrations. We must tackle, too, the problem of finding jobs for people who are coming off benefit—a matter that was touched on by the hon. Member for Kingswood (Roger Berry).

A large number of people ended up on incapacity benefit as a result of the mass unemployment of the late 1970s and 1980s, and many of them stayed on it for many years. We must not allow that to continue: when we roll out pathways to work it must be funded as fully as the pilot projects—a point that was well made by the hon. Member for Aberdeen, South. Many organisations have expressed concern that the pilot projects were successful because they were well funded, with everything available at their beck and call. If such support is not available when the project is rolled out, we will not achieve the same success nationally. The initiative must not be viewed as a way of saving money. We may need to spend money, at least in the short term, to save money in the long term. The initiative is worth while, and it has our support, but we need to see the regulations and exactly what has been proposed.

8.37 pm

Natascha Engel (North-East Derbyshire) (Lab): I am a big fan of the proposals. It is not going too far to say that if we get it right, the Bill more than any other piece of legislation could be what this Labour Government are remembered for. Together with our Sure Start programme, the Bill finally gives people on incapacity benefit a chance to work their way out of poverty.

I echo some of the thoughts expressed by my hon. Friend the Member for Kingswood (Roger Berry), especially the point that on average a person on incapacity benefit will receive less then £80 per week. There are an estimated 2.7 million people on incapacity benefit. That is 2.7 million people living on £80 per week. I do not think that any of us in the House can imagine what living on £80 a week must be like. People on incapacity benefit are poor. Not having a job is far more likely to mean that they are depressed and stressed. They do not have access to the social life that working can bring. Work is good for people's mental and physical well-being. Second to winning the national lottery, it is still the best way out of poverty.

Beveridge understood that when he first thought of the welfare state. His welfare state was proactive. He intended it to rid the world of want, disease, squalor, ignorance and idleness. His welfare state was founded on universal access to free health care and education, decent housing, and a benefit system that would provide security for those who could not work, and most crucially, help to find a job for those who could. From education and health to unemployment benefit and welfare, the Beveridge plan had security at its heart, but work was its lifeblood.

The welfare state did just that, until Thatcher and our changing economic landscape made welfare a passive dumping ground for the victims of industrial decline. Millions of people were written off on the benefit system with no expectation that they would work. Those are not just numbers; they are people. Most of us have seen the harm, the upset and the chaos that worklessness causes. It robs people of their dignity, self-confidence and self-worth. It is no surprise that suicide rates are 35 times higher among the long-term unemployed. To leave people on incapacity benefit and not to help them find work is not an option. No one is arguing that the modern welfare state adequately reflects modern labour markets and employment patterns. We need welfare reform, but we need to get it right.

The Bill recognises that the world of work has changed since the days of Beveridge, or even Thatcher. It is no longer the case that incapacity benefit claimants are all men from the industrial heartlands with bad backs. As many hon. Members have mentioned, mental health problems caused by stress at work may be as big a problem in this century as industrial injuries were in the last century. That is why it is vital that we focus on identifying mental health problems that impact on people's ability to work and finding better ways to help people overcome them.

In order to do that, we need to find better ways of engaging with employers—another issue that has been highlighted by many hon. Members. We should ensure that people do not feel forced out of work in the first place, but more importantly, we need to educate employers about mental health issues. There is still too much stigma attached both to mental health problems and to physical disability.

Most employers tend to be in small and medium-sized firms. We no longer have great monolithic state institutions. Instead, we live in the age of the flexible labour market, which is fine for those who are qualified and skilled enough to be in control of it, but it is not fine for the unskilled and semi-skilled whose lives are determined by it. Flexibility means that no one size fits all, and flexibility does not suit everyone. Flexibility means that we have to tailor our welfare state to meet the work and welfare needs of individuals.

That is why the pathways to work pilots have been the single most successful intervention for getting people off benefits, out of poverty and into sustainable, meaningful work. My constituency is North-East Derbyshire, which falls into the Derbyshire pathways to work pilot area, which was the first pathways area in England.

A claimant who takes part in the pathways pilots gets a personal adviser who will take them through the journey from incapacity benefit to sustainable work.

One of the elements that has worked best in pathways to work has been the condition management programmes. People who have been away from work for long periods often have additional needs, such as dealing with the stress caused by poverty and not working, or the pain that they are experiencing from their illness or disability.

Specialists are brought in to work with claimants until they can manage their condition. Jobcentre Plus works closely with local colleges to ensure that the necessary training is given to qualify people for suitable jobs.

As a result, 25,000 people nationally have entered work through the pathways pilots, which, as we heard, have been running for just over two years. People who leave IB for work in pathways areas earn on average £72 a week more than elsewhere. That is a significant statistic because it is a direct result of pathways making sure that people get the right job, not just any job. That is an important part of the welfare reforms.

There is a national downward trend of 1 or 2 per cent. in people claiming incapacity benefit. In my area that figure is well over 6 per cent. The national roll-out of pathways is key to the reforms, but the most needed reform is changing the medical examination to a personal capability assessment. At present, a person claiming incapacity benefit has to go to a medical examination centre about once a year. The doctors who work at these centres are testing for incapacity. They ask questions and tick boxes. Enough so-called right answers mean that the person can stay on incapacity benefit.

I have lost count of the number of people who have told me that doctors at the medical examination centres do not look at them. They do not even look them in the eye. Hopefully, that will change when doctors and personal advisers look at what a person is capable of doing, and not just for the few moments that they spend being assessed. Too many people with fluctuating conditions and mental health problems fail the test because at the time of their assessment they are feeling okay. The personal capability assessment must look at a person's long-term history and the person must be looked at physically. Getting rid of the computer screens at medical examination centres would be a very good start to doing that.

It can be the most satisfying and rewarding thing in the world to see someone's life change because they have been helped back to work. I went with the Work and Pensions Committee to visit Derby so that we could see for ourselves how the pathways to work pilot was running. It was incredible. People who had been

[Natascha Engel]

helped back to work were often very tearful and spoke of their lives having been given back to them. I have never seen such a dramatic difference being made to people's lives.

But there can also be deep frustration. We can work in partnership, we can work laterally, we can identify different pots of resources, but what happens when someone agrees to a back-to-work plan, they are taking part in pain and condition management, they sail through skills training and education, they are ready and eager to go to work, they are totally job ready, and then there is no job for them to go to? That is where the cities strategy comes in, which is the best bit of the Bill. Our cities have the highest concentration of incapacity benefit claimants, and it is right that we target the greater number in the cities. The cities strategy pools resources and initiatives within a city and brings together local partners to work within and as a community to improve economic regeneration through skills, employment and health.

This is fantastic stuff, but what happens in rural areas such as North-East Derbyshire? We have no cities, but we do have high concentrations of incapacity benefit claimants. It is like lots of ex-mining communities where many people live in isolated, rural villages with poor transport links and no cars, and those are the people on incapacity benefit. Transport infrastructure in cities is much better than it is for people in the countryside, and someone who lives in a city will have a wider range of jobs available in a smaller area. Fundamentally, the cities strategy is about going out to the areas where we know the largest number of incapacity benefit claimants live rather than calling them in to jobcentres. There is no reason why we cannot transfer that model to a rural setting.

We will be setting up a rural pilot in North-East Derbyshire, bringing together all the key stakeholders from welfare rights organisations, Jobcentre Plus, some private and voluntary training providers and job brokers, Chesterfield college and large employers. We will work together to ensure that our current labour markets and future jobs and skills needs are properly mapped. It is the only way to ensure that local people at least have a chance of getting local jobs.

One final thought. The Bill can be as radical and imaginative as the very creation of the welfare state itself, but the reforms need to be carefully thought out. They must meet the needs of a wide-range of different people with minor or severe conditions, people who are recently out of a job and others who have never been able to work. If we get this wrong, we let down the most vulnerable people in our society. But if we get it right, we could lift millions of people out of poverty and give them back their lives.

8.47 pm

Sammy Wilson (East Antrim) (DUP): This legislation, at least as it stands, does not apply to Northern Ireland. As one who the chattering classes have described as coming from the celtic fringe, I hope that I do not incur the wrath of others on the Opposition Benches for taking part in this debate. I wanted to join in the general outbreak of consensus and good will that there has been on this Bill towards the end of this Session for two reasons in particular—first because it is an important part of the economic policy that will keep the United Kingdom working well, and secondly because it is an important micro-economic policy that deals with a vulnerable group of people, whom we simply cannot dismiss and say that they have no part in the economic life of our country.

I hope and believe that the Bill will eventually apply to Northern Ireland, because much of what has been said about other parts of the United Kingdom here tonight applies even more so to Northern Ireland. It is well known that members of my party do not trot into the Lobby with the Government too often, but I congratulate them at least on the macro-economic policy in Northern Ireland, where we are now experiencing the lowest level of unemployment that I can remember in my lifetime. However, our economy still contains significant pockets of people who have faced unemployment for a long time. In parts of Northern Ireland, up to 40 per cent. of the working population is on incapacity benefit, and I do not believe that all those people cannot contribute in some way to the economic life of that part of the United Kingdom. If the Bill were to channel such people back into work, it would do them a favour, and it would do our economy good.

As the hon. Member for North-East Derbyshire (Natascha Engel) has said, the system will examine people's personal capabilities. I have dealt with too many constituency cases in which GPs have treated people week after week, month after month and year after year simply by writing them a line, because they are disabled.

On the assessment for incapacity benefit, 70 per cent. of those whose cases are reviewed in Northern Ireland have the outcome changed on appeal, which indicates that the initial assessment is not done that well. People's personal capabilities are important, and perhaps the new system will focus on the contribution that people can make.

I have a couple of concerns that I would like the Minister to address. First, Age Concern has pointed out that even under the existing pathways programme, the people who do not get moved into work easily are over 50, but I cannot see anything in the Bill indicating that there will be a greater success rate for over-50s.

Secondly, if we are to meet the Government's target in Northern Ireland, more than 30,000 people who are currently regarded as disabled in some way must be put into jobs, which will require a massive change, and the change will probably need to be greater in the public sector than the private sector. Given the importance of the public sector in Northern Ireland, it worries me that we are holding out the promise of a new route to work for people, who may find themselves in endless work-related programmes, but may never get into work.

Some time ago, I was involved in a voluntary sector project to get hard-to-place youths into work. The success rate was one thing that gave those who joined the scheme a bit of drive—85 per cent. of those who went through the scheme got into full-time employment, which injected discipline into youngsters who might otherwise have found it difficult to stay on the programme. Unless such success rates are achieved, people will quickly become fed up and think that the scheme is just another failed initiative.

Giving employers sanctions has generated some concern, but I do not share that worry. In my experience of that youth project, the employer having sanctions can sometimes be important, because the people who are directly involved can best judge whether a sanction is appropriate and which sanction is appropriate. I am not therefore worried about the fact that employers will have the ability to impose sanctions.

Turning quickly to housing benefit, I have two concerns. First, I am concerned about the payment going directly to the tenant, who will then pass it on to the landlord. Some Members have argued that that is good because it teaches people who receive the benefit responsibility, but many, sad to say, are unable to bear that responsibility because when they get the money they will immediately spend it on drink, drugs or whatever, or if they do not, their husband, wife or partner will. If the money goes into a bank account, sometimes the bank will take it. There is already an element of responsibility involved anyway. Most people do not get 100 per cent. of housing costs met through housing benefit, so they have to budget somewhat for housing. We need to consider whether direct payment is appropriate in all circumstances. The Minister said earlier on that there would be opportunities for some people to have money paid directly to the landlord, but that merely puts in place yet another expensive bureaucracy for assessing who should have direct payment and who should not. Either we have it or we do not.

Secondly, I am concerned about the issue of housing benefit being withdrawn in the case of antisocial behaviour. We need to impose as many sanctions as possible on those who engage in antisocial behaviour and make people's life a misery on estates. However, I wonder how much of this part of the Bill is down to getting a headline in the papers, some of which have already zoomed in on it and said that people will lose housing benefit if they do not behave. However, the Minister has made it clear that he is already imposing a restriction. When I asked him about it earlier, he said that there is no chance of families with children being turfed out on to the street. If so, we are already ruling out a whole range of people who may cause misery for their neighbours. We have to ask ourselves when and how this measure will be applied if it is to be effective.

I trust that the Bill will be introduced in parallel in Northern Ireland. That is necessary given the circumstances of those in that part of the United Kingdom who find themselves out of work and on incapacity benefit without some of the support that is required. Antisocial behaviour is a big issue on many estates, so any sanctions that can be imposed, albeit that they have been weakened by what the Minister has said, will be an important element of the armoury in fighting against that blight on society.

I appreciate the opportunity to take part in this Second Reading debate and trust that some of the points that have been raised will be teased out more fully so that the Bill returns in an even better form.

8.58 pm

Mr. Andrew Love (Edmonton) (Lab/Co-op): I, too, warmly welcome the Bill for all the reasons that other Members have mentioned. I am particularly concerned with part 2, which deals with housing benefit.

We all know about the problems with the housing benefit system. It is incredibly complex: anyone who has seen the local authority manual for housing benefit will know just how complex. It is bureaucratic, as anyone who has had to endure it when trying to claim housing benefit will know, and that leads to significant delays in payment. Primarily, there are enormous shortfalls in the payment of housing benefit compared with the rents that people have to pay.

For all those reasons, it has been a priority for the Government to reform the system. They introduced the local housing allowance pathfinders in 2003 and we are now beginning to get the results of those pilots. The pathfinders' objectives were to: promote fairness, increase choice for the tenant, have greater transparency—tenants would know in advance the amount of local housing allowance that they were to receive—and increase personal responsibility. I shall revert to the latter shortly. The primary objective was bringing an end to the interminable waits for claims because of the bureaucratic nature of the system.

Pathfinders have achieved most of the objectives and were especially successful in reducing the shortfalls between benefit and rent—from £24 to £17 on average. That is to be warmly welcomed. However, we need to consider several matters in our scrutiny of the Bill.

All hon. Members who commented on housing benefit reforms mentioned direct payments to private tenants. I accept the objective of trying to increase personal responsibility. It is important if we are to assist people into employment, and the results of the pathfinders are encouraging. However, there are dark clouds on the horizon for the national roll-out of the scheme. Many people mentioned landlords' resistance and expressed a view that that will increase the risk of non-payment and falling into arrears. I have some concerns that that will reduce the supply of accommodation for housing benefit tenants.

However, my main worry is about vulnerable tenants. They include the elderly, people who are leaving supported housing or care and the statutory homeless. There is a whole group of vulnerable tenants. Although I accept that provision has been made for local authorities to pay the benefit directly to the landlord, the system does not contain adequate safeguards and we need to consider whether trained and qualified staff are required to make an assessment to ensure that those who are most exposed under a system of personal responsibility do not fall into significant arrears.

One of the reasons for pathfinders' success is the increased provision of financial advice to tenants in the pilot areas. Genuine difficulties undoubtedly arise when people have to set up bank accounts. Unfortunately, the Post Office card account is not available because, for some reason, the Post Office and local authorities do not have any agreements and people therefore have to set up bank accounts. There are major problems, with which people need help. For example, the European money-laundering regulations mean that people have to produce original

[Mr. Andrew Love]

documentation. That has proved a genuine difficulty in other circumstances. I was pleased that the Minister gave the reassurance today that the enhanced money advice facilities will be available when the scheme is rolled out nationwide.

I want to consider the local housing allowance. Under the Bill, the rent service will set the local housing allowance and decide the broad rental market areas that that amount of local housing allowance will cover. Again, the pathfinder experience has been good. I welcome that and congratulate the Government because there has been a substantial reduction—from 58 per cent. to 39 per cent.—in the shortfalls that people experienced in those broad rental market areas. However, there have been significant variations, and several hon. Members voiced genuine concerns about that. For example, in Leeds, the scheme almost halved the number of people with a gap between their rent and housing benefit, but Conwy experienced only a small reduction. We need to look more closely at that experience, to determine how we can learn from it. There are also issues relating to transparency and to the boundaries of the broad rental market areas. I take the point made earlier about the significant variation in rental levels across Greater London, and we need to ensure that we get those boundaries right if we are going to make a success of the local housing allowance.

The shared room rate restriction will apply to childless claimants under 25 years of age. I will not go into that matter in detail, but I have raised an Adjournment debate on the subject. I welcome the extension of the shared room rate introduced by the Government, and the subsequent reduction in shortfalls experienced by young people in the pathfinder areas. However, there is still a major difference between young people, who experience an average shortfall of £35, and others, whose average shortfall was just over £16. We need to look into this matter, and I hope that Ministers will be sympathetic to a debate in Committee on the best way forward for the shared room rate.

I should like to make a brief plea in relation to interim payments, which have presented a particular problem in the housing benefit system. It does not look as though any changes will be made to the present arrangements, and I assume that that is because it has been accepted that the delays inherent in the existing system will not arise in the new system. However, we ought not to take that on trust. We need to strengthen the interim payments structure to ensure that people will be protected if their housing benefit is not paid, rather than finding themselves in arrears and threatened with eviction.

Finally, I want to say a brief word on the housing benefit sanction to tackle antisocial behaviour. I am sympathetic in principle to what the Government are trying to achieve. We have to crack down on antisocial behaviour and I am interested in the rehabilitation support that has been suggested. However, we must ventilate some of these arguments in Committee to ensure that that support is real. We must also consider the implications for families and, especially, young children who are evicted and who have action taken against them. I am certainly sympathetic to the idea of establishing pilots to enable us to look carefully at this issue, because that is what is needed, and I hope that we will be able to improve the system to ensure that antisocial behaviour is dealt with.

I strongly welcome the Bill overall, and I particularly welcome the provisions for setting up the local housing allowance. The Bill will make a significant difference to people at the margins of our society, and I hope that it will not only encourage them to get back into work but ensure that they are looked after with a proper safety net while they are in the transition period.

9.7 pm

Greg Clark (Tunbridge Wells) (Con): The hon. Member for North-East Derbyshire (Natascha Engel)—and indeed the Secretary of State—referred to William Beveridge. I should like to refer to that other great titan of the 20th century, Sir Winston Churchill, who summed up the vision for our party's involvement in social policy with two images: the ladder and the net. That has served us well during the 20th century, but it is an outdated vision for the 21st. People get tangled up in nets, and our purpose in this age must be to propel people upwards, not to leave them languishing in a net, however humane the intention behind its provision.

Nothing could better illustrate that problem than incapacity benefit. We know that once someone has been on IB for a year, they are likely to spend an average of eight years on it. The reasons for that are complex. People have special needs that can be difficult to deal with. When setting targets for reforming welfare provision to alleviate poverty, it is appropriate to tackle the difficult cases as well as the easier ones, and I urge those on my Front Bench as well as the Government to take that on board.

I applaud the Government's achievements in reducing child poverty, but when we look at the construction of that target and at how progress towards it has been made, we realise that it has consisted largely of increasing the income of people just below the 60 per cent. poverty line to just above it. However, the number of people on less than 40 per cent. of median earnings—those in more severe poverty—has increased. Some 800,000 more people are now in severe poverty than 10 years ago. Many of those people are disabled. In a very good lecture to the Fabian Society, the Secretary of State pointed out that 25 per cent. of all children in poverty have at least one disabled parent. It is therefore extremely important that we direct our attention to that group. I hope that the Government's headline targets will not distract them from that purpose. Our welcome for the Bill reflects the fact that it goes some way to show that the issue is not being entirely forgotten.

What can be done about it? The hon. Member for Tooting (Mr. Khan) and I serve on the Public Accounts Committee and we recently had the pleasure of scrutinising a report from the National Audit Office that considered the Department's record on support for disabled people. It contained some shocking revelations. For example, as the Minister knows, 2.6 million people are on incapacity benefit, but only 125,000 of them are engaged in programmes to get them back into work. That is a drop in the ocean. If we are serious about giving people with disabilities the chances that they require and about extending to them the social justice that we extend to other parts of society, it is vital that we increase the number and quality of places available.

The NAO also found that, since April 2001, one third of all workstep suppliers have not progressed a single person into unsupported employment. As well as providing some of the sticks and carrots in the Bill, we need to consider the quality and availability of that provision. In so doing, I urge the Minister to make far greater use of the private and voluntary sectors, which have a record of innovation that commends itself. I have had some experience of the work of Tomorrow's People in my constituency and around the country. It has a fantastic record in dealing with the difficult problems that people face and helping to alleviate and, in some cases, cure them, so that people can go back into unsupported employment and have a decent chance of staying in it.

I also commend to the Minister's attention the experience of Kent, where the supporting independence programme was a trailblazer for what is possible when local councils are trusted to think imaginatively about how to take welfare spending and turn it into positive opportunities for people. Over the past three years, Kent has seen a 4 per cent. reduction in welfare spending, responding to the challenge set by Ministers through public service agreement targets to take on responsibility, for example, for getting people from welfare back into work. That has been a great success. It has not only helped the chances of people with disabilities but been a positive economic factor.

I also welcome the city strategy programme that Ministers are advancing. I hope that Kent will be selected to be part of that. Sometimes people get the wrong idea about Kent and think that the garden of England is universally affluent and without social problems, but we have great problems of social deprivation.

Justine Greening: I am interested that my hon. Friend mentioned the city strategy. Does he agree that it is ironic that London features in the last wave of the pathways to work roll-out, and my area will only be rolled out in April 2008, nearly two years from today?

Greg Clark: I am grateful for my hon. Friend's intervention, which underlines that we perhaps need to be more ambitious in rolling out such programmes. There is no point having financial penalties and interviews if programmes are not available for people who are keen, to the point of being desperate, to get into work. I hope that the pressure from this debate might encourage Ministers to roll out such programmes more quickly and aggressively across the country.

I am aware that others wish to speak, so I will cut my remarks short. Let me end by saying that, as I believe was pointed out by a Labour Member, this is an historic opportunity for the Government to add to their achievements in welfare reform—which, for the most part, have been relatively disappointing from our point of view—and to take a major step forward. So far, the Government's record in returning people with disabilities to work has not been one of their highlights, but I hope that as a result of the Bill, especially if it is taken a little further in the direction that I have suggested, many hundreds of thousands of people with disabilities will benefit.

9.15 pm

John Robertson (Glasgow, North-West) (Lab): As a fellow Celt, the hon. Member for East Antrim (Sammy Wilson) will appreciate that I do not give a jot about what members of his party think of my contribution. Someone from Glasgow, a city that may contain the largest number of people on benefit, will consider it important to look at exactly what the Government are trying to do. Their attempt to place 80 per cent. of the population in employment suggests a taxing target, to say the least, but an honourable one, which I hope all Members will support. We have already observed a degree of consensus tonight.

We ought to remember that, in the 1980s, the Tories took people off the unemployment list and put them on benefits. At one stage, fewer than 60 per cent. of Glasgow's people were employed; the rest were either unemployed or, in most cases, claiming benefits. In cities like Glasgow, it has been hard work to return people to employment. It is difficult to believe that our city contains third generations who are incapacitated. I do not understand how it is possible to be on incapacity benefit without having had a job in the first place, but it happens. In cities such as ours, there is a great deal of work ahead of us.

Reforming incapacity benefit and income support is very important to those who, we hope, will eventually be given work. Thanks to Pathways to Work, people in Glasgow have returned to employment, and not just cheap employment: a number have obtained first-ever jobs paying over £15,000 a year, so there is hope. Nevertheless, the Trades Union Congress, among others, has concerns about, in particular, employment and support allowance. As far as I know, there has as yet been no mention of ESA rates, which makes it difficult to calculate the number of people who will be better off or, in some cases, worse off. I shall reserve judgment until we see the figures.

The Bill states that new claimants will receive an ability assessment within 13 weeks of their claims, but Citizens Advice rightly fears that that is not achievable. It is unacceptable that families on low incomes having to adapt to new or worsening health conditions should have to survive on jobseeker's allowance for more than 13 weeks through no fault of their own. Can the Minister comment on the idea of backdating entitlement if the target is not met? Backdating does not mean that such people should not be employed, but it might help them by confirming that although their health is bad, they want employment. It would help them to feel part of the system.

As my right hon. Friend the Secretary of State said earlier, pathways to work has been a highly successful pilot scheme. I see the positive results in my constituency. The scheme was launched on 31 October, and was designed to help people claiming incapacity benefit to return to work. About 9,000 pathways to work interviews have been conducted, and, as has been said, the average national rate of voluntary participation is 8 per cent. I am proud to say that in Glasgow the figure has reached 20 per cent.

[John Robertson]

Before the introduction of pathways to work, 1,760 claimants were in receipt of incapacity benefit or income support. Those people have now moved back into work and about 74 per cent. of them—1,300 people—are in receipt of return to work credit: £40 a week for 42 weeks, before moving into full-time incapacity benefits. My concern over pathways to work is about the lack of training of advisers, so will the Minister assure me, my colleagues and people who work in the Department that advisers will be properly trained? I have not found any reference to that in the Bill, but it should be included. Advisers should also be fully trained in mental health issues. I shall not go into further detail on that, as many hon. Members who have much more experience than me have already dealt with it.

The Minister should also be aware of the half-truths spread by the media. Some might say that there is nothing new there, but the media seem to imply that the Government are forcing people into work. Will the Minister assure my constituents that that is not the case and will he dispel the propaganda of the populist press?

The role of the new deal in getting people into work is important. The hon. Member for Runnymede and Weybridge (Mr. Hammond), who is unfortunately not in his place, described the new deal as an expensive flop, yet 310 young people, 250 under-25s and 400 lone parents in his constituency have benefited from it.

We have done a similarly good job with tax credits. The shadow Chancellor, the hon. Member for Tatton (Mr. Osborne) said:

> "I do not acknowledge that the present tax credit system has helped in the reduction of child poverty"—[*Official Report*, 12 July 2005; Vol. 436, c. 704.]

Will the Secretary of State confirm that the tax credit system has helped bring 700,000 children out of poverty? I wonder whether the hon. Member for Tatton is going to remove the credits from the 5,500 families in his constituency who benefit from the system?

Pension credit is very important to my constituency, which has many elderly people. Pension credit claims are worth about £47 to pensioners in my constituency. Yet the right hon. Member for Witney (Mr. Cameron) claimed:

> "Pensioners I meet don't want the extra fuel allowance, the free television licence, and all of the other condescending handouts from Gordon Brown: they want back more of the money that they paid in tax all their lives, in the form of a higher basic state pension."

So much for a caring, cuddly, hugging leader. In his constituency, 3,730 pensioners receive pension credit, there are 3,300 in the shadow Chancellor's constituency and 3,210 in the constituency of the hon. Member for Runnymede and Weybridge. That amounts to 7,240 pensioners—the poorest pensioners—who will not be getting a hug from the Tory party, but a slap in the face. In supporting the Bill, will we see yet another flip-flop from the Tories? To vote for or not to vote for—that is the question.

Before finishing, I want to mention my ten-minute Bill on rehabilitation leave. I hope that the Minister will carefully consider the points that I made in that Bill and seek to incorporate some of them into the excellent Bill before us now. My Bill provides a statutory right for newly disabled employees to have their employment capacity and support needs properly assessed and addressed—as far as I am concerned, that fits into the present Bill—and, where necessary, to have a period of leave to adapt or undergo rehabilitation and retraining before returning to work, which is another theme that runs through the Bill.

Recent figures from the CBI show that 84 per cent. of businesses now offer rehabilitation schemes to help people back into work, so that must be cost-effective for them, but businesses say that they need more support from employees' GPs to allow them to offer more rehabilitation to employees before returning to work.

In 1972, the Secretary of State for Employment in Edward Heath's Conservative Government, Robert Carr, believed that employers were too wise and astute to let apprenticeships fail. That resulted in the Conservative Government getting rid of the training incentives needed to develop apprenticeships, and the skills shortages that we have today are the result. I ask my hon. Friend the Minister to consider the people who need training—young people—and that elderly people could be used to help to train them.

What the Government propose in the Bill is a fundamental change, like those that we have proposed already in relation to tax credits and the new deal. It has already been shown to be good for Glasgow; it will be even better in the months and years ahead, and I hope that that will be the same in the whole country.

9.25 pm

Paul Rowen (Rochdale) (LD): Like many other hon. Members, I welcome the opportunity to debate some of the issues raised in the Bill. As the hon. Member for Aberdeen, South (Miss Begg) said, we have come a long way since the initial discussions, and what we have now is very much a framework for getting people to work. I hope that, as the Bill proceeds through the House, Ministers will give us an opportunity to see more of the substance and form.

Certainly, in Greater Manchester, the 10 district councils are already working to ensure that, when the system starts in our area, we can make it a success. However, there are concerns about whether it will be joined up across the piece. For example, I am concerned that the Learning and Skills Council is cutting funding for some low-level courses that are helping people with learning difficulties, when getting on to those courses may well be a prerequisite to getting back to work. Similarly, business support is being externalised and moved away. If we are to make ESA work, we must ensure that there is the necessary joined-up thinking.

In view of the lack of time, I want to address my main remarks to housing benefit. I welcome some of the proposed changes to simplify the system and make it much clearer. However, like other Members, I have concerns about the way that local housing allowance will work. I hope that its primary purpose is to ensure that the supply of affordable private rented housing will increase. The hon. Member for Hammersmith and Fulham (Mr. Hands) spoke about the problems in London. I believe that those problems exist elsewhere in areas without a plentiful supply of private rented housing. It is therefore important that the underlying rationale used by rent officers in setting the level of rent for housing allowance to be paid is made available, so that people can understand it.

I hope that Ministers will understand that many people do not have a choice about where they live, because of family ties and so on, and that they must live near where their children go to school. Therefore, it is important that the local housing allowance reflects what they can pay. There is a huge and growing gap. Hon. Members have mentioned some of the pathfinders and the variance between what happened in Leeds and Conwy will not help those people. That issue needs to be resolved.

Similarly, I hope that, when the system is rolled out, the support given to people to help them to manage their own affairs is the same as that available in the pathfinders—to do otherwise would be extremely cruel. People have visited my surgery to tell me about the problems that they have experienced during mental breakdowns and how they have got themselves into horrendous debt and how Government agencies and benefit providers do not accept and understand their problems. The hon. Member for Angus (Mr. Weir) mentioned a very similar case. Those problems must be taken care of when the regulations are introduced.

I also want to mention dealing with antisocial behaviour. I bow to no one in respect of saying that that is important and has to be dealt with, but I do not believe that the Government are going about it in the right way, because let us be clear: we are talking about giving another tenancy to people who have already been evicted. I would prefer the Government to propose that they be given a probationary tenancy that is tied to their attendance at certain rehabilitation courses, because that would be much more effective than the threat to remove their housing benefit. As has been made clear, such people will probably end up with considerable housing arrears and will not be too bothered by such threats. We need to give them a real threat: "You get the house if you behave yourself; if you don't, you're out." Such a policy is much firmer, and it is more likely to succeed.

The hon. Member for Barnsley, West and Penistone (Mr. Clapham) raised the issue of payments in respect of mesothelioma, and I hope that the Minister will answer some of the questions that he asked. It is an important issue that several Members are concerned about and we want it to be dealt with in the Bill, as it has been in another piece of legislation that has already passed through the House. This is an important Bill, and I am grateful to have had this chance to contribute to our proceedings on it.

9.30 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): This has been a constructive debate marked by good intentions from all parts of the House. Members of my party believe that those who can work should have the barriers in their way removed. Getting out of dependency and leading a more fulfilling life is what many of the 2.7 million people who are on incapacity benefits desperately wish to do. That is why we believe in active labour market policies. However, we also believe that security must be guaranteed for those whose level of disability is so great that they cannot work; that is one of the hallmarks of the civilised society in which we all wish to live.

We have also agreed in our debate about regulations. In the Bill's 76 pages, there are more than 240 references to regulations. That is part of a trend over the past nine years: some Ministers have sought to make major policy changes via statutory instruments, which are not amendable. Therefore, I hope that the Minister will agree tonight with his hon. Friends the hon. Members for Kingswood (Roger Berry) and for Burton (Mrs. Dean) that the draft regulations should be published well before the Committee stage. Will the Minister tell us tonight what the draft regulations will be and when we can expect to see them, in the interests of having a grown-up and mature debate?

The Bill is in the form that it is in, and is being somewhat rushed through this House, because of earlier delays. Before the last election, we were promised a Green Paper sometime in the summer of 2005, but it did not see the light of day until January 2006. That probably had something to do with the No. 10 policy unit sticking its oar in and pushing for welfare changes that were so draconian that not even the then Secretary of State, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), approved of them. An e-mail of last October from the Prime Minister to the then Secretary of State infamously demanded more means-testing for all incapacity benefit recipients, the time-limiting of incapacity benefit, naming and shaming GPs who allegedly signed off too many sick notes, and commuting a portion of the incapacity benefit amount into a non-cashable voucher with which claimants would have to buy rehabilitative care. Thankfully, none of that saw the light of day, but what we do have today is a Bill whose level of generality raises many questions, many of which have been posed in our debate.

First, we must be clear about the Government's target of removing 1 million people from incapacity benefit by 2016. On March 6, the Secretary of State said:

> "we are starting from 2.7-2.72 million. By 2015/2016 I would like to see that figure down to 1.72 million, so it is a net figure. We are not trying to do any clever statistical sleight of hand on this."

But in a parliamentary written answer to me on 16 June, the Under-Secretary of State for Work and Pensions, the hon. Member for Stirling (Mrs. McGuire) published figures—she should listen because she probably does not remember what she put in *Hansard*—showing that if there were no changes at all, in 10 years' time there would be only 2.36 million incapacity claimants anyway. *[Interruption.]* The Secretary of State says, "Is this a serious debate?" It certainly is, because the point that we are making—my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) made it earlier—is that the Government will have to assist only 640,000 people, not the 1 million whom the Secretary of State said he would help. *[Interruption.]* That is a serious point, and if the Secretary of State does not think so, it is him who should grow up.

[Mr. David Ruffley]

Secondly, this Bill gives insufficient help to existing claimants, half of whom have been trapped on IB for more than five years. They risk being left out in the cold.

Justine Greening *rose—*

Mr. Ruffley: A June Department for Work and Pensions consultation report confirms that existing claimants will be migrated to the new allowance "in time", and "as resources allow". That seems unfair to many outside bodies, so will the Secretary of State publish a date by which existing claimants will be able to access support under his new regime? Is he prepared to do that?

Justine Greening *rose—*

Mr. Ruffley: This problem has particular relevance—*[Interruption.]* The Secretary of State may not think that the plight of existing claimants is a problem, but many people do.

Justine Greening *rose—*

Mr. Ruffley: I am very happy to give way to my hon. Friend.

Justine Greening: I am delighted that my hon. Friend has given way; my persistence has paid off. Does he agree that one other problem with the 1 million target is that it was set when the Green Paper was issued, and that between then and now, the Government have said that they will assist existing claimants on to the employment and support allowance in order to help them back into work? So in theory, the 1 million figure should surely be adjusted to reflect the new cohort of people on IB who will get help who were not going to get it before.

Mr. Ruffley: My hon. Friend makes an excellent point, and I hope that the Minister will answer the question about the 1 million target: are we talking about 1 million people, or some 650,000?

Hugh Bayley: Will the hon. Gentleman give way?

Mr. Ruffley: I need to make progress because time is short; I might give way in a minute.

The Bill is meant to deliver the Green Paper's further aim of increasing the number of older workers by 1 million. Age Concern said:

> "We recommend the Department sets interim targets so it has an incentive to support people who are too old to count towards targets that are a decade or more away. We recommend the Government states its employment aspirations for older people for the short and medium term by setting a clear, stretching target for the end of the next CSR period."

Will the Secretary of State agree to that request?

Thirdly, many welfare stakeholders openly wonder whether the funding for the Bill is adequate. The chief executive of the Disability Alliance said that the roll-out could end up as "pathways lite". The Select Committee said:

> "There are widespread concerns that"

the funding

> "may not be sufficient without services being watered down."

The funding issue gets murkier when we turn to the Bill's regulatory impact assessment. There is no statement on the proposed benefit rates for the new allowance. In addition, it proposes that certain elements of the new regime be introduced only as resources allow. It states:

> "The overall cost of moving on to the new ESA will be dependent on where the benefit rate is set. In addition, it is likely there will be implementation and IT costs incurred during the transition; again these costs will vary depending on the agreed solution."

We know that according to the Chancellor, the likely cut in the DWP baseline next year will be in the region of 5 per cent.; let us hope that he is not the road block to reform in delivering on this Bill. To clear up worries outside this place about the adequacy of funding, will the Minister undertake today to publish biannually statistics on the incapacity claimant case load and on progress toward the target reductions, and to publish estimates of the resources that will be required to achieve that target?

Fourthly, the evidence shows that payment by results can get more people back to work more quickly—an example being the providers of employment zones. As participants progress through the programme, providers receive payments throughout that activity, and additional payments are received for achieving sustainable employment. A November 2003 DWP research report found that 28 per cent. of the employment zone participants surveyed had a job of 16 hours or more per week, compared with 17 per cent. of new deal 25-plus participants.

There are other examples, too. Yet the Bill does not introduce a serious payment by results regime, the objective of which would be to get more people off IB more quickly. That is why my hon. Friend the Member for Runnymede and Weybridge today proposed a radically better deal for claimants. Our no win, no fee proposal would offer providers the opportunity to get existing claimants into sustained employment, but we would pay the provider only when actual benefit savings had tangibly been realised. Significantly, that model would help to get round the comprehensive spending review constraints that the Treasury is currently imposing on the Secretary of State.

We would, of course, provide safeguards so that more modestly sized providers in the private and voluntary sector, which might be concerned about cash flow, would not be excluded from winning contracts. In particular, we understand the point made by Mencap, which said:

> "Niche providers with specialist expertise in learning disability are losing contracts with Jobcentre Plus due to the current policy of awarding contracts to large, generic providers."

That is why we would like a fuller debate about the way in which bids in the pathways scheme roll out, and how they can be structured to ensure that small providers such as Mencap and Tomorrow's People, which my hon. Friend the Member for Tunbridge Wells (Greg Clark) referred to in his excellent speech, continue to thrive. My hon. Friend the Member for Tiverton and Honiton (Angela Browning) made similar points.

Finally on the issue of the private and voluntary sector, we know that the roll-out from October 2007 until April 2008 will extend the pathways scheme to the remaining 60 per cent. of new customers. The departmental press release said that that would happen

> "mainly via private and voluntary sector partners."

Will the Minister tell us what so many providers are asking? What does "mainly" mean? Does it mean that 100 per cent. of the provision will be by the private and voluntary sector, or 90 per cent., or 80 per cent? What is the figure?

Fifthly, the sensitive operation of the new limited capability for work test in clause 8, the limited capability for work-related activity in clause 9, and the work-focused health-related assessment in clause 10, is vital to the establishment of an efficient new allowance. Under the current system, too many cases go to appeal. Concerns are already emerging about the Bill's proposal that at least two and possibly three of those new tests will be administered not only at the same time, but by the same assessor. Stakeholders have pointed out that that could lead to inaccurate decisions because a claimant will first have to demonstrate that they are sick and then, a few minutes later, demonstrate what they are capable of doing. Any rational claimant will undoubtedly grasp that the more capability he or she demonstrates, the more that could undermine a judgment about his or her disability.

The potential for that to go wrong is great, and I was rather disappointed that the Minister talked about dummy runs, not a proper pilot. That is why the Disability Benefits Consortium has said:

> "We believe that getting the interaction between these two assessments right is vital and the dummy runs the Government have proposed are inadequate for testing out such a substantial change to the entitlement system."

Will the Minister think again on that?

I want to ask about housing benefit in part 2 of the Bill. My hon. Friends the Members for Poole (Mr. Syms) and for Hammersmith and Fulham (Mr. Hands) had much of interest to say on that. In most of the pathfinder areas, the flat rate housing allowance has reduced the shortfall experienced by claimants between the benefit that they receive and the rent that they owe. We welcome that. However, clause 27 revises the local housing allowance model. It proposes changes to the methodology used to calculate the flat local housing allowance rates, to the room size criteria and to the cap on the amount that a claimant can retain. Will the Minister agree with Shelter, and with us, that before the Committee stage, the Department for Work and Pensions should publish its detailed modelling of the anticipated impact of those adjustments in the Bill?

I also want to ask about the controversial provisions in clause 28 for the loss of housing benefit following eviction for antisocial behaviour. Will the Minister reflect on what Barnado's has said:

> "Our particular concern is about the effect on children…it is not a child's fault that their families are in difficulties…but the withdrawal of financial benefits from the family is likely to drive more children into deeper poverty and…work against the Government reaching its target for reducing poverty. Ultimately, of course, subsequent eviction from the home might lead to an increase in the number of children entering the care system"?

The Bill will not succeed in helping people simply because it has broadly desirable aims. The nuts and bolts of reform must be right; the devil is in the detail. Conservative Members will thus challenge Government assumptions when we must. We will put forward modern Conservative alternatives when we can, such as proposing a system of payment by results, which would get more people off benefit more quickly. It is in the spirit of constructive criticism—and in that spirit alone—that we will give the Bill a Second Reading tonight.

9.45 pm

The Minister for Employment and Welfare Reform (Mr. Jim Murphy): I welcomed the tone and content of the speeches that we heard from hon. Members on both sides of the House. The debate was quite rightly passionate at times. I do not have enough time to respond to all the specific points raised by my hon. Friends and Opposition Members. We heard 20 speeches, including those made by my hon. Friends the Members for City of York (Hugh Bayley), for Regent's Park and Kensington, North (Ms Buck), for Kingswood (Roger Berry), for Burton (Mrs. Dean), for Aberdeen, South (Miss Begg), for North-East Derbyshire (Natascha Engel), for Edmonton (Mr. Love) and for Glasgow, North-West (John Robertson). We also heard several sincere contributions from Opposition Members. Perhaps the most striking of those speeches was that made by the hon. Member for Tiverton and Honiton (Angela Browning), who spoke with great passion and commitment.

We also heard from my hon. Friend—uniquely, for the purposes of this debate, given the way in which he strongly supported the proposals in the Bill—the Member for East Antrim (Sammy Wilson). I can confirm to him that given the suspension of the Assembly, the proposals in the Bill will be part of a Northern Ireland welfare reform Order in Council. The roll-out of pathways will take place in 2008, which reflects our commitment throughout the country.

We heard 20 speeches with strong tone and content—up until the last one. In a debate about transforming people's lives, the hon. Member for Bury St. Edmunds (Mr. Ruffley) tried to transform the debate into one of personal insults and invective, which did him, his cause and case, and the contributions made by other Conservative Members no good.

The purpose of the Bill is to acknowledge the fact that too many long-term sick and disabled people have been written off for too long by the welfare system. The Bill will put that right. It is worth reflecting, as hon. Members did, on the progress that has been made in recent years. Less than five years ago, the Employment Service and the Benefits Agency worked in isolation from each other. In many towns, two separate offices stood on the same high street, which drew a profound physical distinction between those who could work to support themselves and those who were implicitly deemed to be beyond the scope of the labour market. That situation demonstrated the real need for organisational change, policy change and cultural change to our focus on the labour market.

The Bill will be underpinned by the national roll-out of pathways. In many senses, pathways is the

[Mr. Jim Murphy]

culmination of the Jobcentre Plus approach of uniting help and support for our customers with a clear focus on work for those who can. Hon. Members spoke about their experiences of and aspirations for pathways when the national roll-out reaches their constituency. My hon. Friend the Member for North-East Derbyshire talked with great passion about her assessment of the success of pathways in Derbyshire.

I have met people throughout the country whose lives have been literally transformed—and occasionally saved—as a consequence of the support that pathways and the advisers involved in it have been able to provide to those who are most in need of support. It is worth reflecting on the testimonies of those who have been supported by pathways. I sense that too many of those people were written off by society and employers in the past. Most importantly and tragically, however, in many cases, those people had given up on themselves and what they could contribute to society.

I listened with interest to my hon. Friend the Member for Glasgow, North-West, who talked about the wider impact of the reliance on incapacity benefit. The link between inactive benefits and child poverty has been well made. Reliance on inactive benefits not only in parts of Glasgow, Liverpool, Manchester, London and other great cities, but also in some of our rural communities, villages and towns, has become generational—as if it was an inherited benefit. There is a wider impact on life expectancy, which my hon. Friend has commented on before. The life expectancy in the poorest areas of Glasgow is a full 27 years shorter than in the most prosperous parts of London. Even within London, the levels of disparity between life expectancy are acute.

Lynne Jones: I share my hon. Friend's praise for the pathways to work scheme, but does he share my concerns that his departmental evidence shows that the programmes are less effective in helping people with mental health problems? Will he ensure that when the new arrangements come in, we have programmes that help those most disadvantaged people, who are greatly discriminated against by employers?

Mr. Murphy: I thank my hon. Friend for that intervention, but pathways has shown that folk with mental health illnesses, fluctuating mental health conditions and learning disabilities can be supported with the right level of tailored support, focused on their needs and on what they can still contribute to society and employment. That is an important distinction from what went before.

On the specifics, pathways is the most successful initiative of its type from any Government in this country. Some 25,000 job entries are a consequence of pathways, and it is testing a new and innovative approach, involving the private and voluntary sector, to support the specific needs, conditions, aspirations and abilities of the individual. I disagree with the hon. Member for Runnymede and Weybridge (Mr. Hammond) that pathways will stifle innovation, and I do so for a number of important reasons.

In respect of the way in which we are constructing contracts, our current plans will allow for 70 per cent. to be paid on the basis of outcomes, with 30 per cent. set aside to enable others to enter the market and to provide cover for overheads for smaller organisations in particular. On the way in which we shape the outcomes, it is important that we construct the contracts in such a way that the private and voluntary sector does not simply help those whom it is easiest to support into work. That is an important distinction as we extend pathways through the private and voluntary sector.

In respect of support for those who have fluctuating mental health conditions and other fluctuating conditions, as my hon. Friends the Members for City of York and for Burton and the hon. Member for Tiverton and Honiton said, it is important to reflect on the fact that the single biggest contribution to people coming on to incapacity benefit is fluctuating mental health conditions. That is a remarkable change in recent years. I can confirm that the reformed PCA process will take into account the fluctuating nature of many conditions of those on incapacity benefit. It will not be a snapshot of one experience at a point in one day. We will continue to assess individuals over a period of time. Key to that, however, is that we ensure that the staff in Jobcentre Plus and in private and voluntary sector providers have the level of skills, knowledge, empathy and understanding to ascertain the needs and experiences of the customers they support.

Danny Alexander: Before the Minister leaves the subject of pathways to work, will he address the questions raised on the level of funding? As I have said before, and as the hon. Member for Aberdeen, South (Miss Begg) said, "pathways lite" will not be good enough to help people across the country.

Mr. Murphy: The Government agree. That is not our intention. We will fully invest in pathways so that it can be rolled out across the country. We will learn from the best experiences and replicate best practice, so that it becomes common practice. There is no question whatsoever of us underinvesting in what is the most successful initiative of its type in the history of active labour-market policies in this country in supporting people on inactive benefits.

On local housing allowance, about which hon. Members on both sides of the House asked, it is our intention to make payments directly to the tenant rather than to the landlord. It is part of the continuing effort on financial exclusion and personal responsibility. Evidence from the pilot schemes is that up to 25 per cent. of those who received the payments directly opened a bank account for the first time, which is an important advance in respect of financial inclusion. The policy is also part of an agenda to ensure that housing benefit should not simply be passive, whereby we treat the customer as a passive recipient.

I confirm to my hon. Friend the Member for Edmonton that there will be continuing financial advice to customers about whom he so carefully asked and to whom he is so passionately committed. I confirm to other hon. Members that responsibility for setting the local rates will lie with the Rent Service in England and Wales and with rent officers in Scotland.

A number of hon. Members on both sides of the House asked about the housing benefit sanction. It is our view as a Government and as Labour politicians that the antisocial behaviour that devastates lives, tears communities apart and terrorises neighbours can no longer be tolerated. The measures in the Bill are an important step in the continuing effort to drive up behaviour in some of our communities. It is important that the sanction is linked as part of a package to rehabilitation. The sanction will apply after eviction. It is about preventing someone being able after eviction to claim housing benefit and to perpetuate antisocial behaviour by moving from one community to another and continuing to terrorise law-abiding neighbours. I confirm that we intend to pilot the proposal in 10 English local authorities over two years.

Hon. Members on both sides of the House asked about the availability of regulations in draft. I confirm again that it is our intention to provide the key regulations in draft for Committee, which is entirely appropriate. In line with normal procedure for such legislation, we are talking about regulations concerning limited capability for work, limited capability for work-related activity, work-focused health-related assessments, work-focused interviews, local housing allowance and the housing benefit sanction.

One thing that has been missing from the debate has been the usual ritualistic, retrospective justification of the previous Government's approach to this important issue of public policy. Occasionally, Conservative Front Benchers have flirted with an implicit apology for their record, but it is worth reminding the House what happened in the 10 to 15 years prior to our coming to power. Incapacity benefit numbers not only doubled but trebled under the previous Government. In 1995, 1 million people went on to incapacity benefit; in 1996, 1 million people went on to incapacity benefit. During that period, unemployment went over 3 million twice, and there was no pathways or equivalent. It is important to recognise the scale of the challenge that we faced.

Our approach is that no one should be automatically written off as they were in the past. An industrial injury, a fluctuating physical or mental health condition, should no longer enable somebody to be written off as they were in the past. This Bill is about the traditional Labour demand of the right to work for all. It is also an acknowledgment that the Government can go further in fulfilling our responsibility to provide support for every individual, giving them the chance to get into work and to stay in work, and every opportunity if they leave work to return to the labour market when appropriate. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

WELFARE REFORM BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6) (Programme motions),

That the following provisions shall apply to the Welfare Reform Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 9th November 2006.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Watts.]*

Question agreed to.

WELFARE REFORM BILL (CARRY-OVER)

Motion made, and Question put forthwith, pursuant to Standing Order No. 80A (1) (a) (Carry-over of bills),

That if, at the conclusion of this Session of Parliament, proceedings on the Welfare Reform Bill have not been completed, they shall be resumed in the next Session.—*[Mr. Watts.]*

Question agreed to.

WELFARE REFORM BILL [MONEY]

Queen's recommendation signified—

Motion made and Question put forthwith, pursuant to Standing Order No. 52 (1)(a)(Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Welfare Reform Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(1) so much of any sums payable by way of employment and support allowance as is attributable to entitlement to an income-related allowance,

(2) any administrative expenses of the Secretary of State in carrying into effect provisions of the Act relating to employment and support allowance,

(3) any expenditure incurred by the Secretary of State in consequence of any other provisions of the Act, and

(4) any increase attributable to the Act in the sums payable out of money so provided under any other enactment.—*[Mr. Watts.]*

Question agreed to.

WELFARE REFORM BILL [WAYS AND MEANS]

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (1)(a)(Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Welfare Reform Bill, it is expedient to authorise—

(1) the charging to income tax of a contributory employment and support allowance,

(2) the payment into the Consolidated Fund of sums estimated by the Secretary of

State to be equivalent in amount to sums recovered by him in connection with payments made by way of income-related employment and support allowance, and

(3) any increase attributable to the Act in the sums which under any other Act are

payable into the Consolidated Fund.—*[Mr. Watts.]*

Question agreed to.

RECESS QUESTIONS

Ordered,

That, notwithstanding the practice of the House relating to the answering of questions and the making of written ministerial statements, the following provisions shall apply during the summer adjournment this year:

1. Questions for named day answer by a Minister of the Crown on one of the days specified in paragraph 2 may be tabled on Monday 4th September, Wednesday 6th September and Monday 11th September.

2. The named days for the answer of questions tabled under paragraph 1 above shall be Monday 11th September, Wednesday 13th September and Monday 18th September.

3. Only questions correctly marked as being for named day answer on one of the dates in paragraph 2 shall be treated as falling within the terms of this order and any such questions which are received by the Table Office

(a) between 26th July and 3rd September shall be treated as if tabled on 4th September;

(b) on 5th September shall be treated as if tabled on 6th September; and

(c) between 7th and 10th September shall be treated as if tabled on 11th September.

4. Standing Order No. 22(4) shall apply to Questions tabled under this Order, with the substitution in sub-paragraph (a) of the word 'four' for the word 'two', and including the provision in sub-paragraph (b) limiting to five the number of Questions for answer on a named day which may be tabled by a Member on any one day.

5. A Minister of the Crown, being a Member of the House, may give notice on one of the days specified in paragraph 1 of his intention to make a ministerial statement in written form on one of the days specified in paragraph 2.

6. In the event of a recall of the House under Standing Order No. 13, the Speaker may publish a memorandum amending the provisions of this Order, and such amendments shall have effect as if they had been agreed to by the House.—*[Mr. Watts.]*

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118 (6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Northern Ireland Act 2000 (Modification) (No. 2) Order 2006, which was laid before this House on 24th May, be approved.—*[Mr. Watts.]*

Question agreed to.

COMMITTEES

INTERNATIONAL DEVELOPMENT

Ordered,

That Mr Jeremy Hunt be discharged from the International Development Committee and James Duddridge be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

PUBLIC ACCOUNTS

Ordered,

That Angela Browning be discharged from the Committee of Public Accounts and Mr Philip Dunne be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

PETITIONS

Post Office Card Account

10.1 pm

Mr. Brian Binley (Northampton, South) (Con): You will know, Mr. Speaker, that the Post Office is talking about reducing the number of post offices to 4,000, and that at the moment there are 14,500. You will know that the Government refuse to tell us what, in their view, the number should be, even though they are the major shareholders. That impacts strongly on the Post Office card account, which everyone thought would continue almost ad nauseam, but which we are now told will continue only until 2010. There are over 4,000 petitioners, and I am delighted to present their petition to the House. It states:

To the House of Commons the petition of the residents of Northampton South declares that Britain's Post Offices, the heart of many local communities, are under threat. The Petitioners, therefore, request that the House of Commons call upon Her Majesty's Government to reconsider the policy of phasing out the Post Office Card Account which will deprive the sub-post office network of 40 per cent. of their income. The Petitioners remain etc.

To lie upon the Table.

Civil Service

10.2 pm

John McDonnell (Hayes and Harlington) (Lab): On the day on which civil service staff presented their claim for this year's increases in pay, I should like to present a petition from 50,000 civil servants. It is the largest petition presented to Parliament in the history of the civil service. I present it on behalf of the PCS parliamentary group. It states:

The petition of staff working in the Civil Service

Declares that the petitioners have grave concerns about the growing differences in pay, leave entitlement, and other conditions between civil servants employed by different government departments, agencies and other related bodies, and the effect that such differences are having upon morale; and express their wish for national pay bargaining to establish common standards and minimum requirements on pay and conditions.

The petitioners therefore request that the House of Commons urge the Minister for the civil service to work towards national pay bargaining in the civil service.

To lie upon the Table.

Fraser Day Hospital

10.3 pm

Mr. Mark Lancaster (North-East Milton Keynes) (Con): It is a pleasure to present two petitions to the House. The first concerns the possible closure of the

Fraser Day hospital in Newport Pagnell, signed by councillor Debbie Brock and 1,067 other people. It states:

The Petition of the residents of Milton Keynes,

Declares that the proposed closure of the Fraser Day Hospital in Newport Pagnell will have an adverse impact on intermediate care in Milton Keynes and that it is unacceptable that as the population of Milton Keynes continues to increase, this particular service is being withdrawn.

The Petitioners therefore request that the House of Commons urge the Government to work with Milton Keynes Primary Care Trust to stop the closure of the Fraser Day Hospital.

And the Petitioners remain, etc.

To lie upon the Table.

Mental Health Services (Milton Keynes)

10.4 pm

Mr. Lancaster: My second petition is signed by Mrs. Sarah Dewey and 367 other people, and it regards the proposed cuts to adult mental health services in Milton Keynes. It states:

The Petition of the residents of Milton Keynes,

Declares that the proposed cuts to Day Services, Drug and Alcohol Services and the Memory Screening Clinic will have an adverse impact on care for citizens with Mental Health Service requirements in Milton Keynes…The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to work with the Milton Keynes Primary Care Trust to stop the proposed cuts to Adult Mental Health Services in Milton Keynes.

And the Petitioners remain, etc.

To lie upon the Table.

Innocent Must Stay Campaign

10.5 pm

Andrew Gwynne (Denton and Reddish) (Lab): With your permission, Mr. Speaker, I present a petition to the House of Commons for which 4,199 signatures have been collected by the "Innocent Must Stay" campaign, working in collaboration with local churches, community organisations and the *Tameside Advertiser* and *Tameside Reporter* in order to prevent the deportation of my constituent, Innocent Nkung, to the Democratic Republic of the Congo.

The petitioners assert that as a member of the pro-democracy Christian Union for Renewal and Justice, which helped to organise against the DRC Government's attempts to block elections, Innocent was imprisoned, raped and tortured by supporters of the DRC Government. The petitioners also assert that Innocent's family have been further terrorised by the regime since Innocent fled the country in May last year, and that Innocent would be placed in serious danger if he were to return at this time.

The Petition of the Innocent Must Stay Campaign

Declares that Innocent-Prosper Nkung Empi deserves to be given asylum within the United Kingdom due to his and his family's recent experiences of torture by the Government of the Democratic Republic of the Congo.

The Petitioners therefore request that the House of Commons urge Her Majesty's Government to show compassion and to allow him to stay safely within the United Kingdom.

And the Petitioners remain, etc.

To lie upon the Table.

Radioactive Waste Disposal (Foulness)

10.6 pm

James Duddridge (Rochford and Southend, East) (Con): I present a petition concerning the disposal of radioactive waste on Foulness island. The petition has led to a constructive dialogue between myself, the Ministry of Defence, the Atomic Weapons Establishment, the Environment Agency and Qinetiq. The petition has over 700 signatures and was completed with the support of the *Southend Echo*.

The petition states:

The Petitioners request that the House of Commons call upon the Government to do all within its power to prevent this disposal of radioactive waste on Foulness and ensure that this does not occur at any time in the future.

And the Petitioners remain, etc.

To lie upon the Table.

New Forest (Ministerial Mandate)

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

10.7 pm

Mr. Desmond Swayne (New Forest, West) (Con): I thank you, Mr. Speaker, for this opportunity to hold an Adjournment debate on an issue of vital importance in the New Forest. I am indebted to Anthony Pasmore, one of the verderers of the New Forest and a monthly correspondent in the New Forest newspaper of record, the *New Milton Advertiser* and *Lymington Times*.

The Minister's mandate sets out the rules by which the Forestry Commission must administer the New Forest. It establishes

"conservation of the natural and cultural heritage as the principal objective of management".

My purpose in asking the Minister to respond to the debate is to give him the opportunity to reaffirm that principle against the fears that it may be superseded.

The Forestry Commission raises revenue. That is why it calls itself Forest Enterprise. It might raise revenue through commercial forestry or through commercially exploiting the leisure opportunities afforded by the New Forest. Arguably, the latter has become a more favourable target in the existing climate.

I should like the Minister to deny categorically the rumours that are circulating that the Minister's mandate will become a dead letter, and that the primacy of conservation will be superseded by the need to provide recreation opportunities. I have two specific concerns, with which I shall illustrate the problem. The first is to do with the campsites in the New Forest. They fill some 357 acres of the forest, not including the areas around the campsites that are inevitably affected and disrupted by their existence.

This has been a long-running sore—a battle between the Forestry Commission, which obviously wants to increase the services and the pitches available in those campsites in order to generate more revenue, and the verderers of the New Forest who represent the commoners and the rights of grazing. Currently, that battle is joined over the Roundhill and Hollands Wood campsites. But now something of a quite different order has arisen.

In May this year the Forestry Commission and the Camping and Caravanning Club announced a new joint venture partnership, Forest Holidays. Forest Holidays will lease the campsites of the New Forest, all 357 acres, and the press statement announcing this new venture stated that it

"opens the door to Forest Holidays developing even more camping and cabin sites on Forestry Commission land".

It then goes on to say that the objective of the new venture

"will be to modernise the facilities across the network of Forest Holiday sites."

What does that all mean? It certainly means more pitches, with electric hook-ups. Does it mean more roads and paths? Does it mean, for example, security lighting, entertainment opportunities, shops, playgrounds, perhaps a swimming pool, perhaps even a swimmers' sub-tropical paradise, as exists at Centre Parcs, or even a "stately pleasure-dome", such as Kubla Khan decreed, in "caverns measureless to man"? Remember that we speak of the New Forest, a world heritage site, our smallest national park, where the camp sites are never far from the most sensitive parts of the forest core.

All that stands between these potential developments being realised are the verderers of the New Forest, armed, of course, with the Minister's mandate. Will they be supported by the Minister and his mandate, or will they be bullied into submission or even circumvented by a new national park authority, which as a local authority is armed with compulsory purchase powers?

Of course, I have deliberately exaggerated in order to point to the potential danger that exists for the future. I do that in order that we recognise that danger now so that we can guard against it. The Minister's reaffirmation of the core principle of his mandate tonight will be a powerful guard against that potential future that I have just described.

I now come to a more pressing and imminent concern, and that is the disposal by the Forestry Commission of Holmsley lodge and Shrike cottage, together with 13 magnificent acres at the heart of the New Forest. I am reassured by a letter from the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Brent, North (Barry Gardiner), of 4 July when he assured me that no final decision has been taken on this matter. I hope to persuade the Minister to abandon this proposal entirely, but if I fail to do that, at least to reconsider the time scale in which this is to take place. The current tenants have been told that they need to leave by January 2007. Given the business that they have and the fact that they have nowhere to go and that they have been in those properties for 40 years, I suggest that a much longer time scale would be necessary.

I find, surprisingly, that I am at odds with the verderers on this particular question. Because the verderers have backed the Forestry Commission's proposal. I honestly believe that in this respect they have made the wrong call. It was a narrow decision made on the casting vote of the official verderer. Perhaps the verderers were influenced in that decision by the campsite issue, and not wanting to open up the possibility of war on two fronts with the Forestry Commision at any one time.

I also understand the verderers' concern that properties be made available for commoning. I would not say for one moment that the verderers were bribed in the decision that they came to, but as the Under-Secretary put it to me, rather delicately, in his letter of 4 July:

"Therefore if the sale is approved a proportion of the funds raised would be reinvested in affordable housing for commoners."

It is, of course, right and proper that the verderers should take that into account. I understand that the offer of one property was increased to two, and the verderers reached their decision accordingly. What the Under-Secretary did not say in that letter—perhaps the Minister will throw some light on this matter, if not tonight, then in correspondence—is the proportion of the funds generated by that sale that will be reinvested in housing for commoners.

In its letter to me of 15 May, the Forestry Commission stated that the properties concerned do not meet the criteria set out in the Illingworth report. On Holmsley lodge, it stated:

"the house does not make a practical family home."

And on Shrike cottage, it stated:

"The cottage does not make a practical family home."

I accept that the current tenants of Shrike cottage and Holmsley lodge are not practising commoners, but if we do not sell the family silver, those properties will be available to commoners in the future. Making properties available for commoning at affordable rents is a vital part of the Forestry Commission's role.

As to the practicality of those properties as family homes, tell that to the Landers, who have raised a family of five in Holmsley lodge, and to the Mays, who have raised a family of four in Shrike cottage. The irony is that those properties were probably not practical family homes. Shrike cottage had no kitchen, a leaking roof, rotten window frames and one open fireplace to heat the entire cottage, but that property has been transformed, as has Holmsley lodge, by the existing tenants. Perhaps that has contributed to such a gem being disposed of on the open market, rather than its being secured for the long-term interests of the New Forest.

The Landers and the Mays have installed a vermin-proof fence around all 13 acres of magnificent landscape. They have built up a wild fowl business of national and international renown. It currently contains some 1,000 birds, many of which are endangered species, and the families are now part of the forest community. I have a letter from Burley parish council, which I shall furnish to the Minister by tomorrow's mail, that states the importance of the enterprise and of those tenants to the community. I have a petition containing the signatures of 110 local residents, which, given the sparsity of residents in that part of the forest, is something of an achievement.

At the beginning of the 20th century, the New Forest was much more than the heathland and woodland that it now comprises. It was a great national estate, which included farms, mansions, shops and businesses all under the Crown estate. The Forestry Commission sold off many of those assets, until it was checked, partly by the Illingworth report in the mid-1980s. The question is whether that process has started again. Last year, we saw the proposals for the sale of Swan Green, and this year we have Shrike cottage and Holmsley lodge. I urge the Minister to come and see this outstanding site and to consider that once he sells this gem in the heart of the New Forest—he will sell it, because he will sign the order for the disposal of the properties—he will lose control for ever over what happens there. Before he signs—before he closes an ecologically important business and renders three elderly people homeless because, after 40 years as tenants, they have nowhere else to go—I ask him to consider his mandate and the fundamental principle, which is the conservation of the natural and cultural heritage of the New Forest. Over the best part of the past half century, the Mays and the Landers and their wildfowl have become part of that cultural and natural heritage. The millionaires or footballers' wives to whom these properties will be sold are unlikely to do so.

10.20 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): I congratulate the hon. Member for New Forest, West (Mr. Swayne) on securing this debate. I apologise for the fact that the Under-Secretary, my hon. Friend the Member for Brent, North (Barry Gardiner), who is overseas on ministerial business, cannot reply, which is why the hon. Gentleman has me.

As the hon. Gentleman reminded the House, the importance of the Minister's mandate goes back to 1971, when it became the Forestry Commission's "licence to operate" after a rather turbulent period in the New Forest's history. The last review and renewal of the mandate was in 1999, a few years ahead of the planned renewal date because of the pace of change in the New Forest and the importance of the mandate.

At the heart of the mandate are a number of objectives for the management of the Crown lands: the conservation of the natural and cultural heritage as the principal objective of management; community engagement through greater public participation in decision making; the promotion of rural development opportunities; the provision of access and recreation opportunities and increasing public awareness and understanding; and, insofar as it is consistent and compatible with the first and second objectives, efficient management of the Forestry Commission's operations and appropriate generation of income from timber production and other uses of the Crown lands. There are also a series of guiding principles concerning natural heritage, cultural heritage, public enjoyment, rural development, and something called working together.

Overall, the mandate gives clear direction without overly constraining the commission's ability to manage the forest. Even with the creation of the national park, it remains just as relevant today as it was in 1971. The mandate has been included in the special guidance that Ministers sent to the national park authority, emphasising the importance of the mandate to the management of the New Forest.

There has been a suggestion in the local press—the hon. Gentleman quoted it—that the mandate is being abandoned. Let me reassure him that that is completely unfounded. I am pleased to be able to reassure all concerned that the mandate remains the key guidance to the commission's management of the Crown lands. I am assured by my officials that the character of the campsites will be unaffected by the holidays venture. To change their character would require the agreement of all the relevant statutory bodies, and, as he said, there is considerable disquiet in his constituency about that suggestion.

The mandate is due for review and renewal in 2008. That will give those with an interest in the forest—I am sure that the hon. Gentleman will be right there at the front—an opportunity to help to ensure that it remains relevant to future needs and coincides with the completion of the management plan for the national park.

I turn to the commission's plans to sell two properties in the New Forest—Holmsley lodge and Shrike cottage. The changes in society and forestry practice mean that the Forestry Commission no longer

[Mr. Ben Bradshaw]

has a significant need to provide housing to forest workers. That has resulted in the commission reducing its housing stock in England from over 1,500 in 1980 to fewer than 240 today. However, the New Forest has seen proportionally far fewer sales than elsewhere because of the additional criteria applied to sales in the New Forest. Two criteria underpin the retention of properties in the forest. The first is to provide opportunities for affordable housing, with associated back-up land for practising commoners and the second is to provide affordable local accommodation for commission employees in key posts when there are operational reasons for staff to be based in the forest.

With the existing lease on Holmsley lodge and Shrike cottage ending in June this year, the Forestry Commission rightly considered their future against the criteria that I outlined. It found few grounds for retaining those properties, and it is consulting interested parties, including, as the hon. Gentleman rightly said, the verderers of the New Forest, who are the experts in assessing the value of a property to commoning.

Once the commission has considered all the arguments, and if it believes that the sale should still go ahead, it will seek a final decision from the Under-Secretary, my hon. Friend the Member for Brent, North, on whether the properties should be sold.

The hon. Member for New Forest, West rightly mentioned the concerns of the properties' tenants, who have been there for a considerable time. They knew that the lease was coming to an end and that a review of properties' future was taking place. The matter should not, therefore, have been entirely unexpected.

Mr. Swayne: Of course, the tenants were expecting to pay more rent but there was no suggestion that the lease would end. That is always a possibility for any tenant, but I ask the Under-Secretary who makes the decision to consider those tenants' specific circumstances, their input and the difference that they have made to that part of the forest.

Mr. Bradshaw: I am sure that my hon. Friend the Under-Secretary will consider the hon. Gentleman's representations. I know that they have exchanged correspondence on the subject.

I hope that the hon. Gentleman accepts that the Forestry Commission, as a public body, has a responsibility to the taxpayer to maximise its income and asset base while maximising the help that it gives the commoners in his constituency. Subject to a decision to sell the properties, the Forestry Commission, which is not unsympathetic to the tenants' position, is prepared to allow them to stay on until February 2007 to give them more time to make alternative arrangements.

The hon. Gentleman suggested that the tenants should be allowed to remain in the properties for the rest of their lives. That would impose an unquantifiable commitment on the commission, as I am sure that none of us would wish the tenants an early departure from this world. Such an open-ended commitment would affect the commission's ability to invest elsewhere in the New Forest.

As the hon. Gentleman said, it is planned to invest a considerable amount of the capital—I cannot give the exact figure—realised by the sale in providing new affordable housing to support commoning. There will thus be new properties to support commoning in his constituency. I understand that that is the reason for the verderers' support for the sale. Revenue will also revert to the Forestry Commission, and there will therefore be more income on both sides.

Mr. Swayne: I hope that, if the Under-Secretary responsible for the matter is not persuaded to abandon the proposal, he will consider the possibility of at least a period that is long enough for the tenants to wind up humanely a business that involves 1,000 wildfowl. From now until January next year is a short time.

Mr. Bradshaw: My hon. Friend the Under-Secretary is responsible for biodiversity and I am responsible for animal welfare. I am sure that we will liaise with each other to satisfy ourselves that, in the event of the tenancy ending, animal welfare is taken into account in the way in which the hon. Gentleman requests.

As the hon. Gentleman said, one of the reasons for the sale is that Holmsley lodge and Shrike cottage do not have rights of common or recent history of commoning associated with them. The view of the Forestry Commission and, indeed, the verderers, is that the properties are not suitable to be used in such a way. New housing built to modern standards, with the provision of some grazing land, would be a better way for the commission to continue to demonstrate its commitment to commoning. That would help maintain the cultural heritage of the hon. Gentleman's constituency as required by the Minister's mandate.

The commission has already shown a strong commitment to supporting commoning by increasing the number of properties that it lets at reduced rents to commoners. That has increased from 16 in 1992 to 29 today and it represents 44 per cent. of the commission's housing stock in the New Forest. It is expected that the number of commission properties let to commoners will continue to increase.

In summary, I reiterate to the hon. Gentleman that the status of the Minister's mandate has not been devalued by the creation of the national park, and there are no plans to abandon it, although it is up for renewal in 2008. The proposed sale of Holmsley lodge and Shrike cottage would not be contrary to the direction in the mandate. It would serve to help commoning, rather than undermining it. The reinvestment plan would, in my view, be to the long-term benefit of the New Forest.

Question put and agreed to.

Adjourned accordingly at half-past Ten o'clock.

House of Commons

Tuesday 25 July 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

Middle East

1. **Mr. Iain Wright** (Hartlepool) (Lab): What recent assessments she has made of the threat posed to regional stability in the middle east by Hezbollah. [87867]

11. **Mr. Andrew Dismore** (Hendon) (Lab): What representations she has made to Syria and Iran on their support for Hezbollah. [87879]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): We are gravely concerned about the crisis in Lebanon. Syrian and Iranian support for Hezbollah and other extremist groups is encouraging extremism, threatening the stability of the region and putting peace in the middle east further out of reach. We call on Syria and Iran to stop their support for Hezbollah and end their interference in Lebanese internal affairs in accordance with UN Security Council resolutions 1559 and 1680.

Mr. Wright: I agree with every word that the Foreign Secretary said. It is clear that Syrian and Iranian influence on Hezbollah undermines the ability of the region to embark on peace, stability and prosperity. Hezbollah's principal weapons are terror and violence, but it also has a hand in aspects of the running of normal Lebanese life, such as the raising of taxes and the running of schools. That being so, what steps will my right hon. Friend take to build international support to ensure that the extremist influence of Hezbollah is minimised, not only militarily, but in civic life in Lebanon?

Margaret Beckett: I have a good deal of sympathy with my hon. Friend's concerns and comments. There is now a widespread view in the international community that we need to take a fresh look at the situation in Lebanon. The international community needs to turn its attention to the implementation of resolution 1559 in particular, and to what can be done to help to support and strengthen the democratically elected Government of Lebanon, so that they are better fitted not only to rebuild what has been destroyed, but to conduct their country's affairs in a way that will give them peace and security in future.

Mr. Dismore: Does my right hon. Friend agree that Hezbollah is Syria's proxy in Lebanon, and that it has been heavily armed by Syria and Iran, which thus bear considerable responsibility for the continuing tragedy in Lebanon and for the missiles that are raining down on Israeli cities? Does she agree that Iran has engineered the crisis to divert attention from its lack of response to the international community on its offer concerning civil nuclear power—no doubt the inference being that there is a nuclear weapons programme there? Does she agree that Hezbollah must be disarmed in accordance with UN resolution 1559 if a repetition of the present disastrous confrontation is to be avoided in future?

Margaret Beckett: I share my hon. Friend's concerns, as I think does the whole House. I entirely take his point about the potential influence of Iran and Syria and their supplying of weapons, and his point about the timing of the issues. He alleges that the events were perhaps engineered by Iran, but whether they were or not, they are remarkably convenient for that Government.

Sir Peter Tapsell (Louth and Horncastle) (Con): To what extent was our British Prime Minister in collusion with President Bush in giving Israel the go-ahead to wage unlimited war for 10 days, not just against Hezbollah in southern Lebanon, but against civilians in residential Beirut, drawn from all faiths and nationalities—a war crime grimly reminiscent of the Nazi atrocity on the Jewish quarter of Warsaw?

Margaret Beckett: Since I reject the hon. Gentleman's allegations, there is clearly nothing with which my right hon. Friend would have been in collusion.

Rev. Ian Paisley (North Antrim) (DUP): Will the Secretary of State give the House an assurance about the part of the population that needs to be looked after at the moment—the Christians of the Lebanon? Is she aware that some of the Protestant churches in that country have opened their doors as a sanctuary to Christians, but there is difficulty in getting food to them? Can she do something to help?

Margaret Beckett: I am grateful to the right hon. Gentleman, and of course I understand that all the communities in Lebanon are at risk and are placed at hazard by present events. One of the things to which, in recent days, we have given a great deal of attention, and are pressing with a great deal of urgency, is the potential for humanitarian action and relief. I anticipate that that will be high on the agenda of the core group meeting in Rome, which I shall attend tomorrow, but I will keep the right hon. Gentleman's words in mind.

Mike Gapes (Ilford, South) (Lab/Co-op): Ministers have been in the region and the US Secretary of State is now there. What discussions have there been about the proposal for an international force in the south of Lebanon, and is that being worked up in such a way that it will be introduced in the near future, rather than waiting several months until the conflict has subsided?

Margaret Beckett: There have been extensive discussions over many days—since very early on after the crisis began—about what contribution an international force could make, how it could be deployed and the range of arrangements, and that work continues intensively. As my hon. Friend and, I think, the House will fully understand, it will take time to put in place a substantial force. What I take to be the underlying thrust of his question is that we should all be seeking as early an end as possible to any hostilities or violence, and that that should not be linked to a full force being put in place, which might indeed take some time to arrange.

Mr. Julian Brazier (Canterbury) (Con): Does the Foreign Secretary accept that only last year the Lebanese Government saw the back of the Syrians, who arm and organise Hezbollah, financed by Iran? The Lebanese Government have done very well disarming a number of other militia groups. Given that we have so far been unable to disarm the militias in Afghanistan or Iraq, is it right that Israel should be allowed to bully that entire country and put it back 20 years, in the words of one Israeli Minister, in order to get back at Hezbollah, the real villains?

Margaret Beckett: The chief thing with which I did not disagree in the remarks of the hon. Member for Louth and Horncastle (Sir Peter Tapsell) was the concern that he expressed for the civilian population in Lebanon, as indeed people are concerned about the civilian population in Gaza. The hon. Member for Canterbury (Mr. Brazier) will appreciate that it creates difficulties when missiles are deliberately sited in civilian centres. That obviously leads to potential suffering—*[Interruption.]*—and death, as has just been said. But I entirely share the hon. Gentleman's view that what is happening to Lebanon is a tragedy, where the so-called cedar revolution was so frail and needed nurturing. I can assure him that it is very much part of all the intensive discussions that are taking place to consider how that Government can be sustained and supported. I believe that Prime Minister Siniora and other members of his team will be in Rome tomorrow.

Mr. David Winnick (Walsall, North) (Lab): Leaving aside any absurd comparison with what the Nazis did in Warsaw—that hardly helps the situation at all—is my right hon. Friend aware that people in the United Kingdom in the main had no time for Hezbollah and such organisations, but find it almost impossible to understand how Israel can act as it is, causing so many deaths and serious injuries to people who are in no way involved in Hezbollah? Is it not time that the United Kingdom—and one would like the United States also—to make it as loud and clear as possible to the Israeli authorities that what they are doing cannot be justified under any circumstances? That is the view, I believe, of the vast majority of people in this country.

Margaret Beckett: My hon. Friend may be right that that is the widespread view in this country. I would only say to him that since the beginning of the crisis there has been a consistent thread of appeals for the utmost restraint—on both sides, by the way—from the G8, the Foreign Ministers Council of the European Union, and the European Council itself, all calling for a cessation of violence and conflict, in exactly the way that my hon. Friend seeks. I know from reports, for example from my hon. Friend the Minister for the Middle East, that there has indeed been a policy of deliberately siting missiles in the heart of civilian populations. I do not say that that is a reason for anything. I simply say that it is bound to cause difficulty when those missiles are continually raining down on Israel, and clearly there is pressure on Israel to attempt to take out those missile sites. That is a strong contributory factor to the terrible events that are taking place in Lebanon.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): We welcome the hard-hitting comments made by the Minister for the Middle East during his visit to the region at the weekend. We would go further and repeat the view, as Kofi Annan has said, that there should be an immediate ceasefire. Hezbollah and Hamas must return the soldiers and stop their attacks. But will the Foreign Secretary accept that, for as long as the United States, and, by extension, the United Kingdom, tolerate the disproportionate military response by the Israelis, the diplomatic efforts will be undermined completely?

Margaret Beckett: I can only say again to the hon. Gentleman that if he looks through the statements that have been made, which have always included a call for the return of the kidnapped Israeli soldiers as well as a cessation of violence and hostilities—the European Council called for an immediate cessation of hostilities and the G8 called for an immediate cessation of violence—he will see that everything is being done through diplomatic channels to try to create the conditions in which not only can there be a ceasefire, but such a ceasefire can be maintained and can be durable. That, I fear, is probably the key to any kind of good outcome to the problems that we see at present.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Is my right hon. Friend aware that Sheikh Nasrallah, the head of Hezbollah, has said:

> "Hezbollah is not fighting a battle for Hezbollah or even for Lebanon. We are now fighting a battle for the Islamic nation."

Does she believe that the international community has the resolve to deal with such a threat?

Margaret Beckett: Certainly, Sheikh Nasrallah and his colleagues have done everything that they can to exacerbate what was already an extremely dangerous situation. I do not believe that the goals that they have set themselves are in the long-term interests either of the Islamic nation as a whole or of people in the middle east, because they seem to concentrate only on fear and terror, and it is on the road to peace and peace negotiations that, in the end, all parties to this conflict will have to end up, and the sooner they get there, the better for everyone concerned.

Mr. Michael Jack (Fylde) (Con): The Foreign Secretary might have heard a representative of the Syrian Government on this morning's "Today" programme indicating that, in their judgment, a lasting settlement to this human tragedy and crisis could come about only if the Syrian and Iranian Governments were involved. Could the Foreign Secretary give the House an assessment of that statement?

Margaret Beckett: I heard a brief account of that, and certainly if what he is saying is that the Syrian and Iranian Governments have it in their power to contribute to a potential peaceful outcome, who can disagree with that? I just wish that I saw any signs that at the moment they wished to do so.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): In rightly condemning the terrorism of Hezbollah, will my right hon. Friend bear it in mind that no party to this conflict has clean hands or occupies the moral high ground, that the father of the Israeli Foreign Minister, with whom my hon. Friend the Minister for the Middle East had talks, was a terrorist leader who organised the blowing up of the King David hotel in Jerusalem, to which the Israelis have just disgracefully unveiled a memorial plaque, and that it is absolutely essential that we follow up the proposals of my right hon. Friend the Prime Minister to solve this conflict and end the killing?

Margaret Beckett: I entirely share my right hon. Friend's view that the best possible outcome is, as he says, for those who understand that the way forward is through peaceful negotiation and through the road map being heard in the region and beyond it, and for a move towards such negotiations to take place.

Mr. William Hague (Richmond, Yorks) (Con): Does the Foreign Secretary agree that Israel's demands for the return of kidnapped soldiers, an end to Hezbollah's rocket attacks and the implementation of resolution 1559 are wholly legitimate, but that its case will be greatly strengthened by desisting from attacks on purely civil infrastructure and on other areas of Lebanon?

On the international buffer force that has been proposed, given that British troops are not available—and American troops perhaps not appropriate—and that the French have said that the idea is premature, is she confident that there can be put in place a sufficiently capable and well-equipped force when necessary?

Margaret Beckett: I understand the right hon. Gentleman's point that Israel's legitimate demands are viewed against the prism of events taking place in Lebanon and, indeed, in Gaza, which there is a tendency for people not to mention, but where also we have grave concerns. The words "buffer force" do not fall happily on people's ears in the area, but the right hon. Gentleman is certainly right to identify, as my hon. Friend the Member for Ilford, South (Mike Gapes), the Chair of the Select Committee did, that this will be time consuming and not easy, and that the mandate of such a force, and its nature and construction, will be a matter of difficult negotiation. I expect that that will be very much a part of the discussions in Rome tomorrow, but that is why I believe that one of the strong efforts that we must make is to see what can be done now to ameliorate the situation, partly and perhaps primarily in the short term through humanitarian means, but also what we can do to help to improve matters, because it will undoubtedly take some time to answer the very pertinent questions that he has just put.

Mr. Hague: On Hezbollah's international links, the Foreign Secretary has already acknowledged that in this crisis we must not lose sight of Iran's nuclear programme. Is she confident that consensus will be maintained among the permanent members of the Security Council, that momentum will not be lost, that we will see swift agreement on a Security Council resolution under chapter VII of the UN charter and, if necessary, that any early sanctions on Iran will include a ban on the sale of military equipment?

Margaret Beckett: The extent to which consensus, unity and momentum have been maintained among the permanent five has been striking and for a lot of people, including Iran, surprising. I share the right hon. Gentleman's view that it is vital both to try to maintain that unity and not to lose the momentum. Talk of sanctions is, perhaps, a little premature. If he casts his mind back to our detailed statement to Iran, which is now in the public domain, he will recall that we deliberately set out a gradual progression of steps in order to make it easy to draw back if there was a response. He has rightly identified a possible key area, if sanctions have to be considered.

International Arms Trade Treaty

2. **Anne Snelgrove** (South Swindon) (Lab): What progress has been made towards an international arms trade treaty; and if she will make a statement. [87868]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): We are committed to securing an international treaty on the trade in all conventional arms, and we intend to introduce a resolution in the United Nations first committee this autumn to progress the initiative. With other supportive countries, we are now circulating an initial draft resolution, which we hope will stimulate debate and help to secure the broad international support required.

Anne Snelgrove: That is welcome news, and I thank my right hon. Friend for that answer and for her work in that area. Does she agree that the language on human rights in the resolution must be robust? Will she reassure me that the UK and other signatories will press for the strictest possible guidelines on the arms trade? And does she agree that it would be much better for the security and safety of the world if the UN could report on the international arms trade treaty before 2008?

Margaret Beckett: Of course, I take my hon. Friend's observations very seriously, and I share her view that we must do as much as we can to make the resolution as strong as possible. An initial draft text is being circulated this week by a consortium of nations from across the globe, of which the UK is one. She is right to try to set a time line for about 2008 for some of those issues to be considered further. However, the process will take time, and it is important for the House to recognise that we are at the preliminary stage of the discussions. Nevertheless, I hope that the core principles can be agreed in this Parliament, but there will undoubtedly be tough negotiations about the detail.

Robert Key (Salisbury) (Con): Will the Secretary of State press ahead with all speed and diligence, confident in the knowledge that the lobbying is the work of not only pressure groups, but a vast number of ordinary people in this country, including, of course, the Christian Churches and the defence industry? The Defence Manufacturers Association and those involved in defence exports want to see a treaty, so they can differentiate from those who are following the law and those who are cheating, which destroys the lives of innocent people around the world.

Margaret Beckett: The hon. Gentleman puts his finger on an extremely important point. As he rightly says, there is huge popular support for this move. Hon. Members will have already seen that in their constituencies, and I expect them to see more in future. He is also right to identify that there is support not only among non-governmental organisations but, crucially, in the defence industry. That is an enormously important feature of this campaign and one that should assist in its success.

Mr. Andy Reed (Loughborough) (Lab/Co-op): I welcome the statement that we are making some progress in this respect. There has been a bit of a lull over the past few years in trying to negotiate an international treaty. Will my right hon. Friend ensure that small arms, in particular, are central to everything that is done? As she knows, hundreds of thousands of people around the world are killed and maimed every year by the small arms that are sometimes brokered beyond these shores, even under our existing law. Will she ensure that that loophole is closed as part of the international treaty?

Margaret Beckett: My hon. Friend is absolutely right. We have given a great deal of attention to that; indeed, we have restarted the process in Geneva. He is spot on in identifying this as a key area where action is needed. However, because such arms are so widespread, it is also an area of considerable sensitivity that needs a great deal of attention, support and work, which we will indeed give it.

Zimbabwe

3. **Mr. Henry Bellingham** (North-West Norfolk) (Con): When she next expects to meet her EU counterparts to discuss the impact of sanctions against Zimbabwe. [87869]

The Minister for Trade (Mr. Ian McCartney): Zimbabwe is one of the greatest concerns to the European Union and it is regularly discussed with partners. My right hon. Friend the Foreign Secretary last did so on 15 June and will be doing so on an ongoing basis. EU sanctions against the Government of Zimbabwe will be discussed when they are due for renewal in February 2007. Those sanctions keep Mugabe's regime isolated and under pressure, and they are wholly warranted by his grotesque misgovernance. We continue to do all that we can to help the people of Zimbabwe, who have suffered so much under Mugabe's regime.

Mr. Bellingham: Hundreds of thousands of urban dwellers in Zimbabwe are having their homes bulldozed, the farming sector has been destroyed, people are starving, and inflation is at more than 1,000 per cent., with bank transactions measured in trillions—all because of a mad, evil dictator. What is the Minister going to do to ensure that at a time when the world's attention is focused on the middle east, and rightly so, the plight of Zimbabweans is not forgotten?

Mr. McCartney: I assure the hon. Gentleman that not only is their plight not forgotten but as a country we are doing several things—not only in continuing with the sanctions, important as they are, but in assisting the ordinary citizens of Zimbabwe through hundreds of millions of pounds of aid to feed a country that was once southern Africa's food basket but is now unable to feed its own nation. We are giving millions to help the quarter of the population who are suffering from HIV/AIDS.

We are working as a Government with civil society, trade unions and others who are bravely each day speaking up and speaking out about their fellow citizens in Zimbabwe, and we are making practical resources available to them. Our front-line staff are working in the country each day, in very difficult circumstances, to provide the necessary support for civil society. In addition, we are working with the front-line states, particularly those in southern Africa, to try to ensure that they do more to end this evil regime and return democracy to Zimbabwe.

Kate Hoey (Vauxhall) (Lab): Have Her Majesty's Government made any representations to Kofi Annan and to the African Union about the recent appointment of the former Tanzanian President, Ben Mkapa, as the so-called mediator between Zimbabwe and the UK? Is he aware that Mkapa has consistently called for the ending of European Union sanctions, and does he accept that this appointment will do nothing other than satisfy Mugabe, because he has merely been a stooge of Mugabe?

Mr. McCartney: If Mr. Mkapa can persuade Mr. Mugabe to undertake policy changes, we would support that. Mr. Mkapa has made no representations to us, nor has he sought our support. One thing that is certain is that, working with the United Nations, we will continue to pursue the issue of the lack of real progress in Zimbabwe. I hope that my answer to the previous question gives my hon. Friend certainty about how seriously we take the situation in terms of working in diplomatic and practical terms to assist individuals and Zimbabwe itself. It is important to build bridges. Zimbabwe is in this condition because of the actions of the Zimbabwean regime towards its own people, infrastructure and society. The sooner we get international action to resolve that, the better.

Mr. Graham Brady (Altrincham and Sale, West) (Con): The Minister rightly assured my hon. Friend the Member for North-West Norfolk (Mr. Bellingham) that Zimbabwe is not being forgotten at a time when events in the middle east are drawing attention elsewhere. When the Foreign Secretary raised Zimbabwe on 15 June, what specific measures were proposed to the European Union to increase the pressure on that country? What is the next set of proposals for the subsequent meeting that the Minister mentioned?

Mr. McCartney: As I said in my earlier answers, the review of the sanctions will take place in early 2007. They were renewed for the fourth time earlier this year. I have no sense that they will not be maintained or that South Africa will not work with us more positively in the intervening period to try to find additional ways in which we can not only put more pressure on Mugabe but witness his taking some action on the changes that need to take place.

The hon. Gentleman asked about the meeting in June. As I said in my first answer, the EU reviewed how the sanctions are working, whether they are effective and whether member states are co-operating with them—the answer to that is yes.

I assure the hon. Gentleman that I shall come to the House to set out in detail the discussions that we will hold between now and February with the United Nations, the front-line states and others to try to secure a more effective way of dealing with issues internally in Zimbabwe. Hon. Members should rest assured that, whether we are considering civil society, the aid programme or the health programme, we are committed to continuing to involve ourselves effectively on a day-to-day basis with the citizens of Zimbabwe.

Falkland Islands

4. **Mr. Ian Austin** (Dudley, North) (Lab): What discussions her Department has had with the UN on the Argentine Foreign Minister's recent representations to Kofi Annan on the sovereignty of the Falkland Islands. [87870]

The Minister for Europe (Mr. Geoffrey Hoon): The British deputy permanent representative to the United Nations met the Secretary-General on 16 June 2006. The meeting covered several issues, including the Falkland Islands. The United Kingdom referred to the presentation by the Falkland Islands councillors at the C24 UN decolonisation committee on 14 June 2006 and made it clear that the UK's position on sovereignty remained unchanged.

Mr. Austin: Argentina's sabre-rattling, hostile policy on the Falklands and the decision to establish a commission to win control of the islands serves only to set back Argentinian-UK relations. Is not next year's 25th anniversary of the heroic liberation of the islands a great opportunity to commemorate and pay tribute to the courage and bravery of the UK armed forces, who won not only the conflict but the right of the Falkland islanders to live in freedom and in a democracy? Will my right hon. Friend take the opportunity to remind the Argentinians again of the importance of the principle of self-determination?

Mr. Hoon: I agree that the anniversary next year will be an important opportunity to commemorate the deaths of not only British but Argentinian soldiers. Britain's armed forces would also want to recognise the sacrifice that was made on both sides of that conflict. I was the first British Minister to lay a wreath at the memorial to Argentinian soldiers. It is important that we acknowledge the sacrifice that all our armed forces made in that conflict. However, I agree with my hon. Friend that self-determination remains absolute. The UN charter makes it clear that it is for the people of a territory to determine their future. That is why I made it clear that the UK's position has not changed at all.

Mr. Graham Stuart (Beverley and Holderness) (Con): Self-determination has to be the key principle on which the future of the Falklands is based, as the hon. Member for Dudley, North (Mr. Austin) and the Minister said. I ask the Minister to send the clearest message from the House that the Falklands will never be negotiated away except on the principle of self-determination.

Mr. Hoon: I am sorry if my previous remarks left any room for doubt. Self-determination is a fundamental principle of the UN charter. For the avoidance of doubt, we have made it absolutely clear that the position of the Falkland Islands will not change without the consent of the people of the Falklands Islands.

Mr. Gordon Prentice (Pendle) (Lab): When I was in Argentina last November, it was clear that the Argentinians would not renounce the claim on the Falklands—we take that as a given—but the Ministers to whom I spoke also made it clear that they had no intention of going to war against the UK. Given that that is the case and that we now have a democratic Government in Buenos Aires, why do we need to spend £120 million a year on maintaining a garrison in the Falklands?

Mr. Hoon: The answer is similar to the answer that I gave earlier: for the avoidance of doubt. My hon. Friend is right to say that successive democratically elected Argentine Governments have made clear their determination to resolve this matter peacefully, and we maintain a garrison in the Falkland islands to ensure that that promise is carried out.

Madagascar

5. **Ben Chapman** (Wirral, South) (Lab): What progress has been made on the accreditation of the non-resident British ambassador to, and the honorary consul in, Madagascar. [87871]

The Minister for Trade (Mr. Ian McCartney): Mr. Speaker, I must warn you that in this answer I shall have to speak French on two occasions. I have been practising.

Our requests for agrément in respect of the British high commissioner to Mauritius to be our non-resident ambassador to Madagascar, and for authority to appoint an honorary consul in Antananarivo, remain with the Malagasy authorities. We continue to push for swift accreditation. My Department has discussed the matter with the Malagasy chargé d'affaires in London twice since March, most recently on 29 June 2006. We currently have no intention of reopening our embassy in Madagascar. I think that is five out of 10.

Ben Chapman: Given that Africa has recently been our focus of attention, that the President of Madagascar is a prime example of good governance, that the 28 non-governmental organisations based there are now developing trade and investment interests and want an embassy there, and that the Malagasy have recently opened an embassy in London, would it not be best to avoid the past mistake of closing the embassy and then having to reopen it? Would it not be better to stop the accreditation of a non-resident ambassador and honorary consul and to reopen the embassy forthwith?

Mr. McCartney: Africa is obviously a main priority for the Government, and that means that we need to modernise our network. We need to ensure that our network is placed in the most effective areas, to maximise our ability to represent the interests of this country. That has meant that posts have been closed in some areas, and enlarged in others, such as Pretoria, Kinshasa, Khartoum, Kigali and Addis Ababa. We are putting the investment in, but it must be appropriate investment in appropriate places. The appropriate investment in this case involves the appointment of the non-resident ambassador and the honorary consul, as I have explained, and I hope that we can reach an agreement on this matter pretty quickly so that we get on with the job that we want to do in that area.

Lebanon

6. **Mr. Andrew Mackay** (Bracknell) (Con): If she will make a statement on the situation in Lebanon. [87873]

9. **Mr. David Jones** (Clwyd, West) (Con): If she will make a statement on Israeli actions in Lebanon. [87877]

The Minister for the Middle East (Dr. Kim Howells): Like the rest of the international community, the British Government are deeply concerned about the situation in Lebanon. Intensive diplomatic efforts are under way to create a durable ceasefire. There are a number of initiatives that could help to bring an end to the suffering of the people of Lebanon and northern Israel, including—as my right hon. Friends the Prime Minister and the Foreign Secretary have said—Hezbollah handing back the kidnapped Israeli soldiers immediately.

Mr. Mackay: I am sure that the whole House will agree that it was right for the Minister to have travelled to Lebanon last week, and we are grateful that he did so. As this dreadful human tragedy unfolds, caused primarily by Hezbollah's terrorist activities within the state of Lebanon against the Israelis, does the Minister agree that the only long-term solution is an international peacekeeping force? I appreciate that the Foreign Secretary was cautious earlier in saying how long that might take, but may I urge her and the Minister to remember that speed is essential if we are to avoid a complete humanitarian disaster?

Dr. Howells: I thank the right hon. Gentleman for his remarks. I agree that we have to be very careful about the way in which we approach the subject of a stabilisation force, or of buffer zones. There are mixed feelings about such prospects across the middle east. He is also right to focus on the key issue of the Hezbollah militia. It was mentioned earlier that other militias have given up their arms in Lebanon. Hezbollah is the only powerful militia that has not done so. It is important to say that the people of Lebanon have suffered on many previous occasions from the likes of Syria and Iran fighting their war against Israel by proxy on the sovereign territory of Lebanon. They must stop doing that. I hope that the nations of the middle east, as well as the powerful western countries, bring all their diplomatic skills and influence to bear on Syria and Iran to ensure that they stop giving arms and sustenance to Hezbollah.

Mr. David Jones: While acknowledging the undoubted right of Israel to defend itself against terrorist attack, does the Minister agree that the damage inflicted by Israel on the civilian population of Lebanon is wholly disproportionate to the damage that it has sustained? Will he continue forcefully to voice the concerns of many of those who have hitherto regarded themselves as friends of Israel?

Dr. Howells: The hon. Gentleman is reflecting a great deal of opinion across the world. Israel must be careful to understand, as I am sure it does, that it is fighting not just a military but a political campaign. Opinion on the Arab streets, and on Muslim streets in general, is fed by those who want to portray in the worst possible light the effects of what has been a savage and harsh military campaign by Israel on a great part of Lebanon. However, I also saw for myself the way in which a ruthless militia, Hezbollah, locates its men, missile sites and supplies right in the middle of domestic housing. It does not care about the people who are dying there. It will use them in whatever way it can as propaganda for its campaign, and ultimately for the campaign of Iran and Syria. We must try to understand that the situation is not simple—there is not the wish to destroy a nation—but the results are horrendous. People are dying in Haifa as they are in Lebanon. We must find some way of constructing a durable peace.

Mr. Mohammad Sarwar (Glasgow, Central) (Lab): The Minister will be aware that, according to the ICM poll published in *The Guardian* today, 63 per cent. of people in the United Kingdom believe that the Prime Minister has tied Britain too closely to the White House, and they expect the British Government to stand up to the US. Although I agree that Hezbollah has no respect for human life, whether Muslim, Jewish or any other, the Israeli response is disproportionate and has targeted the entire Lebanese population. Is not it time for the British Government to call on the United States to call for an immediate and unconditional ceasefire?

Dr. Howells: I assure my hon. Friend that my right hon. Friends the Foreign Secretary and the Prime Minister have worked closely in discussions with the United States and many of our other allies. If he is trying to ask me to denounce a nation that has fought for democracy, democratic rights and freedom for a century or more, I cannot agree with him.

Mr. James Clappison (Hertsmere) (Con): Is it not essential to remember how this conflict began, no matter how tragic its consequences? It was deliberately initiated by Hezbollah, after stockpiling missiles, apparently siting them in civilian areas, as the Minister has said, and clearly using them against civilian targets in Israel. Is it not essential, if there is to be a long-term, durable, sustainable peace, that the problem of Hezbollah be addressed, so that people on both sides of the Lebanese-Israel border can live in peace?

Dr. Howells: Yes, I agree with every word of that. The problem must be addressed, and the Lebanese Government must be helped, by any nation that can do so, to build up their capacity, through whatever means, to disarm Hezbollah—in the best possible way, to get Hezbollah to give up its weapons and, if necessary, to take those weapons off Hezbollah. As long as there is an alternative Government in Lebanon who decide their own foreign policy, how on earth can the democratically elected Government of Lebanon extend their remit to the frontiers of Israel? It will be impossible. That is why it is essential for us to help that Government in whatever way we can, hopefully by peaceful and diplomatic means, to ensure that Hezbollah gives up its weapons.

Tony Lloyd (Manchester, Central) (Lab): Many people were genuinely grateful for my hon. Friend the Minister for the Middle East's forthright comments over the weekend, when he was in Lebanon. They introduced real balance, in the form of proper condemnation of the humanitarian abuses on both sides of the conflict.

Was not my hon. Friend absolutely right when he just told the House that, in the long run, the answer to Hezbollah is not a military victory for Israel but a strengthened Lebanese state that can control every aspect of life in Lebanon? The guarantee that we need is that we will not abandon Lebanon as the next crisis preoccupies us, and simply forget today's crisis.

Dr. Howells: My hon. Friend's words are wise. George Mitchell, a man with enormous experience in helping to negotiate peaceful outcomes, said on the "Today" programme this morning "Let us not come up with facile answers." A simple ceasefire will mean that the conflict will start up again in a week, a year, or two years, and people will suffer again and again.

There has to be another way through this. We must construct a proper, sustainable peace for the region, and my hon. Friend is right to point out that one way in which we must do that is by building up the authority and capacity of the Lebanese Government.

Mr. Keith Simpson (Mid-Norfolk) (Con): When the Minister was in Beirut, he expressed his views forcefully, as he has in a number of our debates in Westminster Hall. He said:

> "The destruction of the infrastructure, the death of so many children and so many people. These have not been surgical strikes.
>
> And it's very difficult, I think, to understand the kind of military tactics that have been used.
>
> You know, if they're"

—he was referring to the Israelis—

> "chasing Hezbollah, then go for Hezbollah. You don't go for the entire Lebanese nation."

The Minister pointed out that Hezbollah hides in urban areas, and is totally and utterly incapable of understanding the consequences for the Lebanese people. What advice does he give the Israelis now? How are they to deal with Hezbollah if they are not to engage in the kind of wider damage that is undoubtedly taking place?

Dr. Howells: I am not a military strategist, and I am not aware that the hon. Gentleman is either. [HON. MEMBERS: "He is!"] I apologise. I thought that the hon. Gentleman was just a good bloke. I hope that he accepts my apology.

The position is very difficult to understand. While I was in Beirut, I heard a story about a bridge that the Israelis feared would be used to bring supplies to Hezbollah from Syria. I am not certain, but I believe that the bridge may have been paid for with European Union aid money. It certainly cost €70 million. I understand from everyone to whom I spoke that there was a big hole in one end of the bridge. The bridge was reparable in time, but instead it was attacked again and again until it had been utterly destroyed. I do not see the sense in attacking the Lebanese infrastructure in that way.

Worse still, I heard of a Lebanese army barracks in which 17 or 18 engineers were killed. It was very close to the British ambassador's residence. If the aim is to go in and try to disarm Hezbollah, whether by persuasion or by force, where is the sense—tactical or otherwise—in dropping a bomb on the very force whose help is required in establishing law and order and extending the Government's remit right down to the Israeli border? It makes no sense. I made that view known to the Israelis—including the Israeli Foreign Minister—and I know that they realise they must be very judicious in the way in which they attack such targets if they are to win opinion on the Arab streets.

Burma

7. **Mr. Stephen Crabb** (Preseli Pembrokeshire) (Con): If she will make a statement on the political situation in Burma. [87874]

8. **John Bercow** (Buckingham) (Con): If she will make a statement on the political situation in Burma. [87876]

The Minister for Trade (Mr. Ian McCartney): We remain concerned about the political situation in Burma, which is unchanged. I summoned the Burmese ambassador to the Foreign and Commonwealth Office and wrote to the Burmese Foreign Minister setting out our concerns in detail. I also raised Burma with the Governments of China, India, Japan, Thailand and South Korea and I met Juan Mendes, the UN special adviser for the prevention of genocide, to discuss the Burmese situation. Indeed, I invited Mr. Mendes to come here to Parliament to meet Members of both Houses and discuss their continuing concerns about Burma. I hope to able to arrange that in the near future, and we will continue to press for positive change in Burma.

Mr. Crabb: I thank the Minister for that reply and I encourage him to continue taking specific steps to build international support for a UN Security Council resolution on Burma, particularly in the light of the extension of Aung San Suu Kyi's house arrest in May and the continuing Burmese army offensive against the Karen people, which has resulted in the displacement of more than 18,000 individuals this year alone.

Mr. McCartney: I agree entirely with the hon. Gentleman. He referred to a group of specific issues, which I also raised with the ambassador and with the Foreign Ministers of other countries in order to secure co-operative action in the region to get Burma to accept its international obligations. First, Burma should allow the UN to enter the country. Secondly, it should allow in the UN refugee administration and, thirdly, it should also allow a UN rapporteur into the country to investigate allegations of torture and other inhumane treatment against ethnic minorities. Countries in the region must take some responsibility for developing a comprehensive strategy to bring Burma into the public domain and to get it to live up to its requirements on human rights and for its own civil society. I can assure the hon. Gentleman that I am continually raising the issues that he mentioned with both the Burmese Administration and the countries around Burma, which could exert a greater influence than they have up to now.

John Bercow: I warmly welcome the Minister's robust answer to my hon. Friend the Member for Preseli Pembrokeshire (Mr. Crabb). Given that the remorseless bestiality of the military junta has caused the patience of the Malaysian Prime Minister and his colleagues in the Association of South East Asian Nations finally to snap, and given that no fewer than 313 hon. Members have signed early-day motion 902, calling for a UN Security Council intervention in Burma, will the right hon. Gentleman tell the House today what particular steps he is taking to try to persuade Ghana, Tanzania and Congo-Brazzaville to back a robust resolution that will force the regime to stop subjugating its citizens and to start liberating them?

Mr. McCartney: Again, I can tell the hon. Gentleman that we support a proposal for a Security Council resolution on Burma and we are working closely not only with the United States, but with other partners on the Council to ensure that we have a full debate on Burma, which we hope will lead to a resolution. Our first objective—to answer the hon. Gentleman's main question—is to get Burma formally added to the UN Security Council agenda. To achieve that, we need nine votes and we are working with like-minded partners to secure those votes. I cannot yet tell the House that I have secured the nine, but we are close to doing so. I hope that, having achieved the nine votes, we can proceed to put the motion at the Council. That is a clear indication that the international community has not just lost its patience with Burma, but is prepared to take action to represent the needs of the Burmese people who are trapped in that country. They are powerless and voiceless and only we can help them to resolve their problems.

Mrs. Siân C. James (Swansea, East) (Lab): Is my right hon. Friend aware that the Burmese regime is propped up by the highest number of child soldiers in the world? It has been reported that the Burmese regime frequently apprehends boys as young as 12 at train and bus stations, markets and other public places, forcing them into the army and even to participate in executions. When he next meets the Burmese—

Mr. Speaker: Order. We must now allow the Minister to answer the question.

Mr. McCartney: It is not normal to put into the public domain discussions with an ambassador, even of that regime. However, on the issue of child soldiers, I asked the ambassador to look me in the eye and tell me—not as an ambassador or politician, but as a father and a grandfather—why so many of his children or grandchildren have had their childhoods stolen and how many of them are fighting an inhumane war against their own fellow children and fellow human beings instead of playing in the streets and doing the things that children take for granted in this country. He did not answer that question, but I looked him in the eye again and I asked him again and again, and I will continue to ask him until he rids his country of child soldiers.

Mr. David Drew (Stroud) (Lab/Co-op): I hear what my right hon. Friend says, which is very impressive, but what are the Chinese doing? What discussions has the Foreign and Commonwealth Office had with the Chinese? The key to putting pressure on Burma must be found in China changing its position and beginning to condemn that awful regime.

Mr. McCartney: I can confirm that I have had three conversations with different representatives of the Chinese Government—their ambassador, whom I will meet again soon, their Vice-Foreign Minister and their Deputy Foreign Minister, the latter of whom I spoke to only last week in Beijing. I have asked them to consider finding a practical way forward. They are obviously concerned about security on their own border. However, China and the other nations in the region have a direct responsibility not just to get fed up with Burma and its actions, but to do something about being fed up. I am having those delicate discussions on the basis of securing, first, a UN Security Council resolution and, secondly, co-operation to allow the UN to enter Burma freely and to start doing the work that we need to do there on behalf of the people of Burma.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): As has been made clear in these exchanges, the Burma regime is one of the most inhumane in the world. The Minister has recently had high-level talks with the Chinese, who are key players in bringing about change, first, because of their major influence on ASEAN; secondly, because of their increasing trade with Burma, through their building of ports to gain access to the Indian ocean and through gas supplies; and, thirdly, because they are one of the key nations that are blocking a binding resolution. Precisely what discussions has he had with the Chinese to bring about a change in their attitude towards Burma, because they need to start taking a more responsible attitude in the international community towards bad human rights records in countries such as Burma?

Mr. McCartney: I have had what can be best described, as a diplomat, as a rather positive discussion and—

Mr. Keith Simpson (Mid-Norfolk) (Con): A frank exchange of views.

Mr. McCartney: Yes, as the military strategist says. Why does a military strategist become a Member of Parliament? I can give an assurance that we asked our colleagues in China to do a number of things: first, to help facilitate access by the UN; and, secondly, to think seriously and to help facilitate a UN resolution and a resolution in the Human Rights Council on a better proactive dialogue to allow the various commissioners appointed by the UN to deal with Burma and to be able to do their jobs. We have yet to get a full response, but at least they are prepared to discuss it. Their recent actions in regard to Iran and North Korea are surely a really good sign of their being more proactive in the region on an international basis. By taking those two steps forward, I hope that we can take steps forward in terms of Burma as well.

Middle East

10. **Ann Clwyd** (Cynon Valley) (Lab): If she will make a statement on the situation in the middle east. [87878]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): We are gravely concerned by the situation in Lebanon, Israel and the occupied territories. We are urging restraint on all sides and are working with international partners to secure a durable ceasefire. It is important that the abducted Israeli soldiers are released and that Israel acts proportionately, conforms with international law and avoids civilian death and suffering. Ultimately, to resolve the situation in both Gaza and Lebanon, we need to deal with the underlying causes, so we must get negotiations between Israel and Palestinians back on track and make progress towards the two-state solution.

Ann Clwyd: My right hon. Friend is absolutely right. If she recalls, there was a summit at Sharm el-Sheikh last year, and the Israelis promised to release Palestinian prisoners. However, there are still 9,000 Palestinians in detention or prison, including 400 children. In addition, 33 Palestinian Ministers and Members of Parliament are also in detention. The Israelis must understand that there cannot be peace and stability in that region unless they give the Palestinians their independence and their liberty.

Margaret Beckett: I am grateful to my right hon. Friend, who is one of the more distinguished contributors for her record in all of these spheres, and I understand the concern that she expresses. I can tell her that, particularly with regard to the recent detention of Ministers and Members of Parliament, international concern has been expressed and there continue to be calls for their release. I can also tell her that the wider concerns that she expresses about Palestinian prisoners in general are shared, and that much discussion and negotiation is going on at the current time about all of these issues.

Mr. James Arbuthnot (North-East Hampshire) (Con): Does the Foreign Secretary agree that a ceasefire will be short lived unless both Hezbollah and Hamas agree to give up their weapons and agree to a ceasefire themselves, and that, sadly, neither looks like happening?

Margaret Beckett: As my hon. Friend the Minister for the Middle East said in response to earlier questions—and as Senator Mitchell said on the "Today" programme this morning—it is of course the case that any ceasefire that is other than a ceasefire on both sides, and any ceasefire that does not have the capacity to be durable and sustainable, simply will not hold. The right hon. Gentleman is right that, sadly, there seems to be little evidence that either Hamas or Hezbollah has much interest at present in such a ceasefire.

Immigration Service

12.31 pm

The Secretary of State for the Home Department (John Reid): Last week, I set out to the House our plans for transforming the Home Office and for rebalancing the criminal justice system. Today, as I promised, I return to the House with further proposals for reform of the immigration and nationality directorate, with the aims of making it fair, effective, transparent and trusted, and of rebuilding confidence in our immigration system. I will now set out our plan, a copy of which I have placed in the Library.

In this area, as in others, we are not starting from year zero. For instance, I wish to thank the Home Affairs Committee and its Chairman, my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), for the work that it has done, and for its newly published report on immigration control. A number of its recommendations are reflected in the proposals that I shall outline today, and we will study the report carefully and respond in full in due course.

Once again, I pay tribute to my predecessors for their significant achievements, which include the closure of Sangatte, the 72 per cent. reduction in asylum applications from their peak, the speeding up of the processing of asylum decisions from the 22 months that it took in 1997 to two months now, and achieving the tipping point target of removing more failed asylum seekers than those coming in.

However, recent events have highlighted weaknesses within the IND, and we need to reform its systems so that they are truly able to meet the challenges of what are hugely changed circumstances. In approaching that, over the past six weeks we—in particular my hon. Friend the Minister for Immigration, Citizenship and Nationality and I—have examined the immigration system from the perspective of the front line, by talking directly to more than 600 immigration workers, case workers and managers and consulting several thousand others about what they need to make the organisation work better. Their views have helped shape our plans for reforms, and they will continue to do so.

To change the IND, I have set out four new strategic objectives. Our first objective is to strengthen our borders, to use tougher checks abroad so that only those with permission can travel to the United Kingdom, and to ensure that we know who leaves so that we can take action against those who break the rules. We will bring together resources, increased powers, new technology and the increased visibility that staff say they need to transform our border services.

By 2008, we will have in place biometric ID requirements for the highest risk countries, taking fingerprints from all visa applicants from those countries. We will perform border checks on people before they travel to this country, targeting high-risk routes through effective threat and risk analysis. We will progressively reinstate exit—in other words, embarkation—controls in stages, starting with the higher-risk routes and people, identify who overstays and count everyone in and out by 2014. We will strengthen the powers and the surveillance capability of our border service to enforce our physical borders more effectively and to deter illegal entry, and make it a visible, uniformed presence.

Secondly, we will enforce compliance with our immigration rules, removing the most harmful people first and denying the privileges of Britain to those who stay here illegally. We will double what we spend on enforcement and compliance by 2009-10 and we will expand our activity. For foreign national prisoners, we will require evidence of nationality during contact with the criminal justice system itself, link criminality more clearly to deportation, remove in-country rights of appeal, streamline our procedures and otherwise remove barriers to deportation and removal.

A key challenge is to extend the United Kingdom's ability, in law, to deport or remove those who threaten our security. A proportion of those eligible for deportation or removal are not removed because the country to which they would be returned is considered unsafe, and because we are not currently able to balance the threat posed by an individual to our national security against the risk of mistreatment if the individual concerned is returned to their own country. We are prevented from making this balance by the Chahal judgment in the European Court in 1996—before we had the Human Rights Act 1998 in this country. We are seeking to change this through our intervention in a Dutch case before the European Court. We want to be able to take into account the threat to national security and to be able to rely on assurances given by the returnee country.

Changing the Chahal judgment is the essential requirement. But in any event, we intend to consult on making it easier to deport people under UK law within the terms of the judgment, limiting as far as possible the ability to stop the deportation of those whom the Government consider it necessary to deport or to remove for reasons of national security. We will redouble our efforts on deportation and removal, including through changes to the law, where necessary.

We will also do much more on enforcement and compliance within the United Kingdom. We will work across government to shut down fraudulent access to benefits and services, and tackle illegal working. We will penalise rogue employers who employ illegal workers through fines and through seizing the assets of persistent offenders. We will do this in step with providing more efficient support to help respectable employers check who is entitled to be here. We will disbar company officers who are criminally liable for consenting to, or conniving in, knowingly employing illegal workers. We will make immigration a truly cross-government issue, with shared targets.

Thirdly, we will fast-track asylum cases, remove those whose claims fail and integrate those who need our protection. We will continue to remove more failed asylum seekers who make unfounded claims, now that we have reached the tipping point. By the end of 2009, in three years' time, we aim to deal with 75 per cent. of new asylum cases—granting or removing, as appropriate—within six months. In five years' time, by the end of 2011, we intend to deal with 90 per cent. within six months, and we have set out plans to achieve that. We will deal with the legacy of unresolved cases in five years or less, as I said last week. We will prioritise those who may pose a risk to the public and then focus on those who can be more easily removed, those receiving support and those who may be granted leave. All cases will be dealt with on their individual merits: there will be no amnesty.

Finally, we will boost Britain's economy by bringing the right skills here from around the world and ensuring that this country is easy to visit legally, through managed migration. We will implement the points-based system to attract the workers and students we want to bring to Britain. We will exploit biometrics to help trusted travellers enter and leave the country faster.

To deliver those four strategic objectives, we need to make radical changes to the IND as an organisation and to the environment in which it operates. We intend to do that in several important ways. We will strengthen and simplify our immigration laws to make the system more effective and give our work force effective powers to do the job we ask them to do. As a first step, we will take new powers, including to ensure that foreign national prisoners automatically face deportation, and to strengthen our border through inter-agency working. As a second step, we will radically reform and simplify the immigration laws, rules and guidance under which the work force has to work.

We will also create a strong framework for delivery and accountability. We will therefore establish IND as a shadow agency from April 2007. It will be given the operational freedoms and the regional structure it needs to deliver its business, while being more clearly accountable to Parliament and the public. We will consult on streamlining the existing fragmented regulation and inspection regime by the creation of a new single immigration regulator to give an independent and consistent perspective on the performance of IND as a whole. And we will consult on setting up a new migration advisory committee, which would publish recommendations to Government on where in the economy migration should sensibly help to fill skills gaps, and provide an informed and non-partisan view.

In addition to these proposals, we will introduce a range of measures, including strengthening IND's leadership and management at all levels, and a change of culture. In that context, I am pleased to announce that Stuart Hyde, an assistant chief constable with the West Midlands police, has joined IND as the new senior director for enforcement.

These are outline proposals. Over the next few months, we will publish further details and we will act and consult where necessary. Some changes will happen quickly, others will take time. This is a long-term investment that will require endurance and persistence: it is not a quick fix. But we are committed to achieving a transformation in the way IND works over the next few years, so that we can deliver the services that Parliament and the public rightly expect. I command this plan to the House.

David Davis (Haltemprice and Howden) (Con): I think that the word should have been "commend". Perhaps the Home Secretary thinks that he is still at the Ministry of Defence.

I thank the Home Secretary for advance sight of his statement. Much of what he announced is very sensible: it is also not new. The new asylum model, for example, was announced in February 2005. I also welcomed his intention to challenge the Chahal judgment last week. Indeed, can he now answer the question he twice failed to answer then, which was what he will do if the Chahal challenge fails? Most particularly, what will happen with the Prime Minister's comment, which the Home Secretary repeated today, that foreign prisoners will face automatic deportation? What will happen to that if the Chahal challenge fails?

I have sat opposite three Home Secretaries, and each has talked tougher than the one before. However, they all discovered that tough talk was not enough—and they were the ones who created the system that the right hon. Gentleman called "not fit for purpose". So what does the rest of today's announcement consist of?

The Home Secretary has announced yet another restructuring of the immigration and nationality directorate. There is nothing new in that—we have been here before as well. Over the past few years, I have sat here and listened time after time to talk of crackdowns, consultations, initiatives and action plans on matters ranging from bogus language schools to sham marriages, yet still we are faced with the current shambles.

As I said, the Home Secretary said that the IND was not fit for purpose, but the Minister for Immigration, Citizenship and Nationality said that it was not fit for the future. The truth is that the Government cannot cope with their own past. The serious problems faced by the IND will not be solved by yet another reshuffling of the deck. They will certainly not be solved by Ministers implicitly blaming civil servants. The IND has been overwhelmed by the sheer scale of immigration into this country.

In 2004, net immigration into the UK from outside the EU totalled almost 270,000 people. In addition, in the 18 months since EU enlargement, some 600,000 people have arrived from the accession states, 580,000 more than the Government estimated at the time. Moreover, 660,000 foreign workers were issued with national insurance numbers. That is interesting, given what the Home Secretary said about actions to be taken against employers, most of whom take ownership of an NI number as proof of a person's right to be here. The problem is squarely the Government's.

Only last week, the Home Secretary said that we might have 450,000 failed asylum seekers, but that was just months after the Government denied that there were as many as 250,000 here. All those core problems arose as a direct result of deliberate and explicit Government policy decisions.

To deal with them, the Home Secretary said that he will double the IND's removals budget. That is welcome, although it would be overdue even if it were to happen today, yet it is not due to happen until 2010. When will the extra funding begin? What will the increase be this year, and what will it be next year?

Spending on the IND has increased by more than 400 per cent. since 1998, and the number of staff has almost trebled, although all the transfers that have been going on makes that figure hard to work out. What has been the result? A massive growth in immigration, both legal and illegal—a growth so big that the social consequences are beginning to worry even Labour Back Benchers. The Government do not have any clue about how many

[David Davis]

illegal immigrants are here, hundreds of foreign prisoners have been released on to our streets, and all of the problems result from a policy failure so huge that it has overwhelmed the system. The Government's policy is wrong, not just their administration.

However, the most oppressed victims of the Government's policy are some of the immigrants themselves. They include the lorry load of Chinese immigrants who tragically died in Folkestone en route into the UK, or the 23 cockle pickers who died on the sands of Morecambe bay, or the illegal immigrants who live and work in often inhumane and dangerous conditions in our supposedly civilised country.

Before the Morecambe bay tragedy, this Government had successfully prosecuted only 10 employers of illegal immigrants in seven years, even though the relevant laws were put in place in 1996. It took Morecambe bay and the resignation of the then Immigration Minister to end the Government's habit of turning a blind eye to the explosion of people trafficking and the massive trade in human misery that had blown up on their watch.

I welcome any measures that will cut the amount of illegal working going on in this country, but we must understand that the powers will work only if they are used. They will be used only if the Government have the determination to deliver more than rhetoric on the issue, and are prepared to commit the necessary resources. If they do that, it will be a first.

What other proposals have the Government made to deal with these problems? They are introducing embarkation controls, for which the Opposition have been calling for at least as long as I have been shadow Home Secretary. The Government eventually agreed to institute e-borders embarkation control in 2008, but we now understand that the process will not be concluded until 2014. That is too late. What is more, the system relies on a computer database and we all know how reliable Home Office computer databases are in terms of the speed with which they come into effect.

Will the Home Secretary explain why we cannot simply reinstate a manual embarkation control system immediately? His proposal will not be in place to cope with the next EU enlargement and the large numbers of Romanians and Bulgarians who will come to this country, including, in the words of his own Minister, 45,000 "undesirables"—the Government's word, not mine. Can the Home Secretary give the House an undertaking that his Government will not repeat their disastrous mistake over the first enlargements, and allow vast numbers of Romanians and Bulgarians immediate access to this country?

No immigration policy will work as long as we have "porous borders"—the words of the past Metropolitan Police Commissioner. That porous border is a contributor to illegal immigration, drugs trafficking, people trafficking, terrorism and a host of other crimes. That is why we have long called for border police, bringing together Customs, immigration, special branch and ports police, and giving them all wider powers.

Along with the present and former heads of the Metropolitan police, the president of the Association of Chief Police Officers and others, we urged the Government to include those powers in the Serious Organised Crime and Police Bill. Why did not the Government do that? Instead, the Home Secretary offers us uniforms for immigration officers: no identified extra powers and no amalgamation of resources—just a new uniform. Frankly, this is a ludicrous piece of window dressing. It will not reinforce the immigration system. It will not seal our porous borders and it will certainly not shut down the hideous traffic in human beings that is still going on in the 10th year of the Government's tenure.

This morning, I listened with interest to the latest Minister for immigration patter out the same old line, used by his many predecessors, that it was all the fault of the Opposition parties. No doubt the Home Secretary will repeat that line today, but let me tell him this: nine years, three big majorities, four Home Secretaries and 54 Acts of Parliament lead to one conclusion—this situation is this Government's responsibility and it is long past time they dealt with it.

John Reid: I thank the right hon. Gentleman for welcoming many of the proposals, which he left unspecified, while concentrating on those that he does not seem to welcome so much. May I rectify his view that we are blaming all this on the Opposition? Unusually, we are not. We have tried—*[Interruption.]* Nor are we blaming it on our predecessors, who made a number of achievements. We are blaming some of it on the Opposition, as I shall point out later, but the main cause is the sheer extent of migration in the world. Every year, 200 million people, which is equivalent to the population of Brazil, migrate—not just move but migrate—and that has caused successive Secretaries of State huge problems. It overwhelmed the last Conservative Secretary of State, when it took 22 months to process an asylum case. The huge backlog to which the right hon. Member for Haltemprice and Howden (David Davis) referred was already building up when the Labour Government came in. We have always had to face the migration problem and changes in international circumstances.

I shall refer to the some of the points that the right hon. Gentleman raised. He said that there was nothing new in the statement. Actually, the strategic objectives are new. The greater emphasis on border security and public protection is new. The rigorous risk-based approach to individuals and routes is new. The comprehensive identity management of foreign nationals is new. The extension of biometrics is new. The more visible and resourced uniformed border presence is new. The doubling of enforcement resource and activity is new. The simplification and strengthening of the law that we outlined, including the new powers for deportations and inter-agency arrangements, is new.

The new accountability arrangements to complement agency status with a single regulator are new. There is a new independent migration advisory committee. The introduction of the new commissioning model is new—*[Interruption.]* The reason the right hon. Gentleman can see nothing new is that when it is being outlined he is having a conversation with his colleagues. There is a new programme to clear the legacy of unconcluded cases. There is a new drive to break down barriers to removal and deportation. The comprehensive and fairer charging regime is new. I shall not go through the rest as time is limited.

Incidentally, the IND has been mocked in respect of the move towards agency status, but only by separating it from the core Home Office as an arm's-length agency can we hope to restore faith in the system.

> "Removing the agency from the orbit of the Home Office will allow it to be reconstructed along fit-for-purpose lines and run more efficiently."

Those are not my words; they are from the Conservative party's James report, on which it contested the last election.

The right hon. Gentleman asks why we do not bring in a card-based system of embarkation controls. I remind him that the system was so inefficient even 14 years ago that the last Conservative Secretary of State got rid of card-based embarkation controls, which is why we have no way of counting out anyone who leaves the country. Incidentally, by 2010, 95 per cent. of routes will be covered by e-borders.

The right hon. Gentleman asked when the funding increases for enforcement will start. The answer is next year—pretty much as fast as we can start increased funding. It will go up every year until 2010.

On the Chahal judgment, the right hon. Gentleman seemed to ignore both my oral statement and the one I sent earlier, when I announced that there is a range of ways to proceed. He asked what we intended to do apart from challenging the judgment. I made it absolutely plain that one thing was to limit as far as possible, within the terms of the judgment, the ability to stop deportation of those the Government consider it necessary to deport or remove for reasons of national security. I used those words not 10 minutes before the right hon. Gentleman asked me to say something about the judgment.

As I said, there is a range of ways to proceed. Another way might be to legislate that the courts must give particular weight to a memorandum of understanding in determining whether an individual faces risk when deported. I made it absolutely clear that we would be prepared to countenance that and to consult on it.

Border enforcement is not just a matter of bringing in uniforms. We are increasing resources and looking at increasing powers. We are certainly increasing co-ordination. The staff suggested, and said that they would fully support, our giving them a measure of uniform and visible status. They felt that would reinforce their position.

As for the Conservatives' suggestion for their so-called effective border force, they admitted during the general election campaign—to be precise, on the "Today" programme on 12 April 2005—that it meant covering only 35 of the 625 ports: some force and some coverage, if that is all it would amount to.

I commend—as I said, rather than command—the statement to the House, despite anything that the right hon. Gentleman said in a rather churlish acceptance of major steps forward on our IND improvement. I commend those steps, and I am sure they will render the IND far more effective than was ever the case under Conservative Governments.

Mr. John Denham (Southampton, Itchen) (Lab): I thank the Home Secretary for his reference to the Select Committee on Home Affairs and the report published two days ago.

It is clear that what drives illegal migration is the ability to work illegally. Does the Home Secretary accept that employers who exploit illegal labour not only take advantage of those employees but put good employers out of work and cut the wages and conditions of other people in the work force?

However, IND cannot be left to tackle illegal labour alone. If the Revenue does not collect tax and national insurance from people with fake books, if the Department for Work and Pensions gives out national insurance numbers, and if the Department for Education and Skills gives approval to dodgy colleges that are fronts for illegal working, the proposals will not work.

I welcome my right hon. Friend's emphasis on illegal working and its status, but will he tell the House that the whole of government is signed up to making it a priority? That is how he will actually deliver his pledge.

John Reid: Yes, I agree with my right hon. Friend that the fact of the matter is that those who work here illegally, where that is done intentionally and with the knowledge of employers, undermine the conditions, terms of service and wages that have been built up over a long time for British workers. Often, as the right hon. Member for Haltemprice and Howden (David Davis) said, those people are living in inhumane and terrible conditions. They are putting at risk not only their own health and safety, but that of other workers and other people in this country. As such, I hope that there will be not only a cross-Government approach to the matter, which, as has been said, is essential, but a cross-party approach. We have often found in the past that the right hon. Gentleman and his friends, who like to talk about others talking tough, are the toughest talkers and the softest voters in the House when it comes to tackling some of these abuses. I hope that, having described the inhumane conditions in which some of these people work, when it comes to doing something about it, they will give the Government the backing that they have refused to give in the past.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I thank the Home Secretary for notice of the statement, although my gratitude is a little blunted by the awareness that, although I received it 30 minutes in advance, I think some newspapers received significant components of it about three days in advance.

Many people listening to the statement and some of the previous announcements will understandably ask why many of these measures, some of which are very welcome, were not taken earlier. Why, for instance, has it taken almost 10 years to agree to elementary exit checks, and—if my understanding of the right hon. Gentleman's statement is correct—why will there now be a further delay of eight years until 2014 before there is a proper counting-in-and-out system in place? Why has it taken almost a decade to agree to the principle of a properly identified border force, for which we on these Benches have been arguing for a long time? On that note, and in view of the Home Secretary's earlier remarks, will he confirm how many ports of entry will be covered by the new uniformed IND officials and whether they will be integrated more fully with Customs officials so that there is a fully integrated border force?

[Mr. Nick Clegg]

Many observers will be understandably sceptical about the practical meaning of some of the pledges made today. What, for instance, does it really mean in practice to

"deal with the legacy of unresolved cases in five years or less"?

Like the Home Secretary himself no doubt, I have spoken to many asylum seekers who find it inexplicable that no action is taken to remove and deport them once their applications or appeals have been refused. They are left in a state of limbo, unable to stay, unable to work and unable to leave. If the Home Secretary wants to deliver a fairer but firmer asylum system, we need to make sure that dealing with asylum applications is not just a paper-shuffling exercise. It should be followed up by real action where that is clearly merited.

Finally, I would like to add my own questions about the Home Secretary's comments on the Chahal case and the Dutch case that hopes to qualify the Chahal judgment. If the Dutch lose their case, the Government will not be able to ensure that foreign national prisoners automatically face deportation, as the right hon. Gentleman has said. But surely even if the Dutch win the case, the Government will still be unable to deport individuals to countries that are in a state of total chaos or where the individuals will face certain torture, mutilation or death. Will he explain whether he is seriously suggesting that all foreign national offenders will be deported without qualification? Or does he accept that there must and will be exceptions, regardless of what happens in the Dutch case, which he would do well to acknowledge today?

John Reid: To start with the hon. Gentleman's last point, although the Chahal judgment requires consideration of the threat to the safety of the individual to be deported, which I do not think anyone objects to—civilised societies do take that into account—the problem is that it prohibits taking into account the safety of everyone else in this country if the person remains here. It is that aspect of the judgment that makes it imbalanced. Although it is of course appropriate to consider the safety of anyone who has been deported from this country, it is equally important when considering, say, a suspected terrorist, to take into account the safety of the people of this country if the person stays here. In our view, that imbalance is at the heart of a gross misjudgment, which is why we are challenging it. I think that that answers his question.

The hon. Gentleman made a comment, as he normally does, about having read elements of the statement in the press. I have to say that I have read all of his response in the press as well, so I am well prepared for that. He demanded to know why we lifted the embarkation controls and so on. There was support from the Liberal Democrats at the time. The reason that support existed, the reason that I have never criticised the lifting of the controls—although I felt compelled to point out to Conservative Members that they started this from 1994 onwards—and the reason that I accept that that was not an entirely unreasonable thing to do, relates to the nature of the card indexing system, which was grossly inefficient. We are now in a position where we have a technology that will enable us to take measures, and that is what we will do over the period.

Of course we hope that there will be an integrated and co-ordinated border force, but I have to say to the hon. Gentleman that, on two subjects, he is very wrong. He implies that we have done nothing up until now, but that is not the case. Under the previous three Labour Home Secretaries, we have doubled the number of removals of those not entitled to be here. We have reduced by 72 per cent. the number of asylum applicants, because we are no longer a magnet. We have reduced the time that it takes to deal with an asylum case from 22 months to eight weeks. We have now got a tipping point where we are deporting more false asylum claimants than arrive here. We have got border controls in northern France and Belgium. We have lorries being scanned. We have closed Sangatte. The channel tunnel is fenced off. Biometric finger scanning for visa applicants and airline liaison has been brought in. There are many other measures. The hon. Gentleman ought to commend us for being far more self-critical and constructive in renewing and building on the improvements that we have already made than either of the Opposition parties appear capable of being.

Several hon. Members *rose*—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The House will know that there is a great deal of business to be completed today, in which a large number of hon. Members are hoping to take part. For the remainder of the statement, may I appeal for brief questions and perhaps brief answers from the Secretary of State?

Mr. Frank Field (Birkenhead) (Lab): Does the Home Secretary accept that this country is facing a level of legal immigration unknown in its entire history? Does he accept that, as we get the figures together for 2004, we can see that the level of legal immigration is approaching 1 million—half of that coming from the accession countries? Does he also accept that part of the problem was that only three of the established members of the European Union agreed that they should give free access to their labour markets? Can he—

Mr. Deputy Speaker: Order. The right hon. Gentleman is getting us off to a bad start. I have counted three questions. I think that that is sufficient.

John Reid: My right hon. Friend is right to say that we face a challenge of hitherto unimaginable proportions due to the level of international migration. I think that the implication of his questions is that we should accept that, if migration is to be managed to the benefit of this country, we ought to have the information with which to manage it, the powers and practical measures with which to control it, and independent advice on which to base those judgments. I agree with all three of those things and I think that he will find that they are in my statement.

Sir George Young (North-West Hampshire) (Con): The Home Secretary's statement has considerable resource implications for the immigration and nationality directorate. Has the Chancellor recently made additional resources available to him for those additional activities, or will the Home Secretary have to fund them from his existing departmental baseline?

John Reid: I assure the right hon. Gentleman that, as ever, the Chancellor has been my flexible friend as I have approached the matter. A combination of the reprioritisation of my budget, the extension of charging to foreign nationals—not people in this country—and an efficiency drive in a number of areas has resulted in a package with which the Chancellor and I are equally satisfied.

Mr. Andrew Dismore (Hendon) (Lab): My right hon. Friend will be aware that for a long time I have been one of the sternest critics of the extremists whom he wishes to remove from the country, but as Chair of the Joint Committee on Human Rights, I draw his attention to the concerns that my Committee expressed about the intervention in the Ramzi case to overturn the Chahal judgment. Can my right hon. Friend confirm that our absolute obligations under the UN convention against torture, and under customary international law, will create problems for the removal of the people concerned? I put it this way: would he be prepared to send somebody back to face torture?

John Reid: I do not think that anyone is asking hon. Members to accept that premise. It is wildly wrong to suggest—if indeed my hon. Friend is suggesting it—that opposition to the Chahal judgment means support either for complicity or for sending people to be tortured; that is an outrageous suggestion. I have already explained to the House the problem with the Chahal judgment, which is that it appears on the face of it to deny us the ability to arrive at a balance between the protection and safety of one individual and the protection and safety of 60 million individuals—that is, everyone in this country. It is that imbalance that we, along with others in Europe, are attempting to challenge. We have said that we will consider the extent to which, commensurate with judgments made on any cases, we can have legislative recourse so that that balance can at least be approximated, even if it is not fully achieved. Surely that lack of balance between the rights and protections of one individual, and the rights and protections of groups of individuals, is at the heart of what we ought to do. Everybody has human rights, the most basic of which is the right to life—and if that applies to one individual, it applies to the rest of the people in the United Kingdom.

Mr. Roger Gale (North Thanet) (Con): Those of us who represent Kent coastal constituencies regard ourselves as being on the front line of our porous borders. The Home Secretary needs to convince not just the people of Kent, but people working in the service that he will create something rather more substantial than a team of dockyard traffic wardens. The British Transport police have the ability to co-ordinate the effort—someone has to co-ordinate it—but will they be allowed to do it? Has he agreed that with the Secretary of State for Transport, and if the BTP will not co-ordinate the effort, who will?

John Reid: I regret the terminology that the hon. Gentleman chose to use in referring to those who are trying to carry out a difficult task. I hope that, on reflection, he will realise that what he said was a bit unfair on the people trying to do that job. In answer to his second question, when I make a statement in the House on behalf of the Government, it is on behalf of the whole Government.

Andrew Mackinlay (Thurrock) (Lab): The Secretary of State is still ambiguous about what the uniformed force will do. Unless and until there is a dedicated ports police for our sea ports, we will have porous borders, and no measures taken by him or his successors will be taken seriously, whether in the war against terrorism, the illegal trafficking of people, or combating the mafia-style crimes committed by people who go through our sea ports. What logic is there in having police in our airports, but not our sea ports? Get real on this!

John Reid: I know that my hon. Friend has been a forceful advocate on the subject for some time. The truth of the matter is that our operations are intelligence-led. I do not think that anyone in the House is suggesting that we fund a full force that is static and resident at 625 ports.

Andrew Mackinlay: A mobile force.

John Reid: An intelligence-led, mobile force that is better resourced and co-ordinated is precisely what we are trying to achieve. Even if my statement does not fully delight my hon. Friend—I am afraid that, in nine years of trying, I have almost never delighted him on anything—I hope that it is a move in that direction.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The right hon. Gentleman has dealt with the criminal liability that will be attached to employers who employ illegal immigrants. He is wholly right to say that the criminal sanctions should apply only to employers who act knowingly—that is, it should not be an absolute offence. May I suggest that the same rules be applied to the public sector as to the private sector, so that Ministers and permanent secretaries will be exposed to the same liabilities as members of a private-sector board?

John Reid: That is a perfectly reasonable point, and I thank the right hon. and learned Gentleman for accepting that we are trying to distinguish between those who commit an offence in error, and others. I would go slightly further and say that, if we ask others to do something, it is incumbent on the Government to make sure that our enforcement agencies are effective. If we have an ineffective enforcement agency, we can hardly ask those in the private sector to act in a fashion that we do not.

Martin Linton (Battersea) (Lab): I welcome the doubling of the enforcement budget and the target of dealing with 90 per cent. of asylum cases within six months. Will my right hon. Friend confirm that the proposal will cover not only the initial decision and the appeal, but, if relevant, removal? Nothing is more unsettling, both for the public and asylum seekers, than not knowing when, or indeed whether, they will be removed.

John Reid: Absolutely, and that contributes to a double inefficiency, because the longer a family is in the country, the more legitimacy it has in claiming the protection of article 8 of the European convention on human rights and other legislation that protects family life. If a family has been here for two, three, five or six months, that is one thing, but if it has been here for five years as a result of our lack of administrative ability to deal with the case, it makes it harder to remove them. I hope that we will deal with that.

[John Reid]

The right hon. Member for Haltemprice and Howden (David Davis) mentioned the figure of 450,000, but that is the number of electronic and paper records, not, as he suggested, the number of people. Nevertheless, we will try to prioritise the way in which we deal with them. I am happy to tell the House that I am prepared to bring in outside help to deal with that backlog, and I hope that we can do that within five years. We will start by eliminating duplication and errors, and then start on cases that may present a risk to the public. Of course, in many of the cases people may have been granted leave to remain, but we have not been able to contact the relevant people to tell them that. Some will have already left, and many may be members of the eight applicant members of the European Union, and so are now here legitimately. The idea that we have to go through an extraordinarily high number of people—some 100,000 a year—who have been refused leave to remain is another myth that has been encouraged by Conservative Members and published by some of the more right-wing papers.

Rev. Ian Paisley (North Antrim) (DUP): I regret that the right hon. Gentleman has to learn in a very hard school that Northern Ireland is not such a bad place. He has come home to home troubles, and home troubles are harder to serve and sell. I want to ask him a plain question: is he satisfied that he has the accurate number for cases of asylum seekers? If he has the right number, how long will it take him to settle those cases, rather than address new applications? Lastly, how will he implement the suggestion in his statement that he will try to stop people leaving their country to get to this United Kingdom?

John Reid: On the right hon. Gentleman's first point, I believe that we have an accurate number of case files at between 400,000 and 450,000. Many of those will be duplicates and therefore those figures do not represent people. The only estimate we have of the number of people came from the National Audit Office last year—the only estimate that is in the public domain from any independent organisation. That is 283,000, plus dependants, plus those who were in the UK before 1994. I do not make estimates because, like the last Conservative Home Secretary, I am not prepared to put before the House estimates on whose accuracy I cannot rely. However, the figure that I mentioned from the NAO is in the public domain. I have put in the public domain the number of case files that we have, but some of them may be duplicates and many may be errors. We will deal with that over the next few years. With regard to people leaving the country, we do not intend to try to stop anyone leaving, but we intend to reintroduce the means of counting them as they leave the country. Finally, I look back with great affection to the days when the right hon. Gentleman and I could stroll in the sunshine through Ballymena. I can tell him that the delights there are surpassed only by the delights of the Home Office.

Gwyn Prosser (Dover) (Lab): I very much welcome the plans to reform the immigration and nationality directorate, particularly the commitment to crack down on the most harmful people for removal first. However, what does my right hon. Friend intend to do about the present target structure, which many of us believe was the root cause of the law-abiding soft targets being removed from the country and convicts being allowed to disappear into society?

John Reid: One of the things that we hope will be achieved by giving the IND a degree of autonomy—first in shadow form from next April, and hopefully, if things go well, in agency status from the following April—will be a degree of permission to the management to sustain the objectives without the constant interference of people like me in setting the objectives. There will still be objectives and targets, but in the face of hugely changed circumstances over the past 10 years we have done immensely well to achieve the benefits that I mentioned earlier and the reduction in the time that it takes to process claims, the reduction in asylum numbers, the closure of some of the worst areas of illegal immigration and so on. It is time to step back a little and say, "Okay, we have managed to hold the fort and to make major advances, but we need to move from improvement to transformation." Part of that transformation entails giving the management more control in managing the position and sustaining our long-term objectives.

Miss Julie Kirkbride (Bromsgrove) (Con): The Home Secretary said that he wanted to link criminality more clearly to deportation. Can he tell us, therefore, what level of offence would trigger a deportation order?

John Reid: We have said that where people have been given a custodial sentence over a given time, which we have not specified—at present it is one year for non-European economic area nationals and two years for EEA nationals—there should be a presumption of deportation. There will be cases where, in any civilised society, we will decide that we ought not to implement that because of certain circumstances, but when someone comes to this country, takes this country's benefits and misuses the country's hospitality to the extent that they get a prison sentence, the presumption should be that they go back to the country from which they came.

Keith Vaz (Leicester, East) (Lab): In respect of the new shadow agency that the Home Secretary is creating, will he undertake to consult Parliament if it is to have a regional structure? Will he also undertake to ensure that should the regulator produce a report that is critical of the agency or of immigration policy, the Government will accept it?

John Reid: I can certainly give my right hon. Friend a guarantee on the first point. I will ask my hon. Friend the Minister for Immigration, Citizenship and Nationality to consult MPs and others about regional cities. I am not sure that I entirely understood the second point that my right hon. Friend was making. I may have misheard it. I envisage the migration advisory committee as an advisory body particularly on the skills that are necessary for the economy—there is a skills advisory body at present. We will consult on regulation, and perhaps during that consultation he can make the points that he just made.

Mrs. Jacqui Lait (Beckenham) (Con): I hope that the Home Secretary will agree that many illegal asylum seekers are in the country because of initial poor decision making. What assurances can he give us that in future the staff will be given the tools for more robust decision making?

John Reid: We will try to make sure that that is the case. Earlier, I mentioned resources and enforcement. I draw the hon. Lady's attention to the fact that in my statement I said that, where necessary, we would also amend the regulations, the laws and the guidance to those working on cases to enable them to do their job more effectively and more speedily. Although the ills of the world and the problems that we face on immigration are often blamed on the Human Rights Act 1998, if we studied paragraph 364 of the immigration rules 1994, we would find that the burden of scrutiny placed on caseworkers is about three times as wide as it would need to be under the Human Rights Act. Those rules were passed under the last Conservative Government in 1994.

Mr. David Marshall (Glasgow, East) (Lab): My right hon. Friend is aware that many people came legally to the UK on visitors visas, but failed to return home when those visas expired and became illegal overstayers, and that that happened under the previous Conservative Government as well as under the present Government, as many overstayers have been in the UK for more than 10 years. As there is no record of overstayers leaving the UK, how will the plan deal with such cases?

John Reid: We hope that that will be done both by increased enforcement capacity, capability, technology and resources, and also to some extent by the gradual introduction of embarkation controls, which will be linked to biometrics—fingerprinting or on the iris. We trust that a combination of all those will achieve the objective that my hon. Friend identifies. In addition, we will consider legislation.

Simon Hughes (North Southwark and Bermondsey) (LD): Does the Home Secretary accept that from the perspective of those of us who have huge daily contact with the IND, the three things that would make the biggest difference are speedy and effective co-ordination between the Home Office and the appeals services, management of the Home Office so that it did not so often lose files, passports and papers, and control of those people who purport to give advice, sometimes lawyers and sometimes others, who give bad advice, charge large sums of money and do a disservice to the individuals whom they purport to serve as well as to the country in which they are working?

John Reid: Yes, I think so, although our shortcomings sometimes assist such people to make money, sometimes under false pretences. The hon. Gentleman speaks with authority on these matters, as he is probably—depending on one's point of view—the biggest correspondent or the biggest burden on the immigration and nationality directorate, but he is right to talk about the basics, the losing of files and so on. There is no doubt about that. In the document we made a very simple point, at which people may sneer: that we want to create excellence in the basics—that is, in the maintenance of files, systems, information and so on—because that is what gives rise to huge frustration, additional work, with MPs and others writing after months and years of delays, and then grounds for remaining in the country, even when the initial entry was illegitimate, because people have been here so long that to ask them to move would be to interrupt unduly the family life that had been established. The hon. Gentleman is right on all these points.

Kate Hoey (Vauxhall) (Lab): Will the Home Secretary confirm that when the shadow agency is created it will make absolutely no difference in terms of the rights and responsibilities of Members of Parliament, particularly those of us who have to represent the cases of many asylum seekers and immigrants in Parliament?

John Reid: That is certainly the case with regard to the shadow form of the agency, but I hope that we can have genuine and mature discussions with Members of Parliament about the degree of accountability and hon. Members' level of intervention in every decision. I fully accept that we should retain that overall strategic direction, that there should be overall accountability to Parliament and that Members of Parliament must always be given the right in the last instance, in extremis or in cases of miscarriages of justice, to intervene, and I think that that is what my hon. Friend is referring to. However, I know that she will accept that sometimes the sheer level of intervention, where people may not always be as discriminating as she is about which cases to raise, and the sheer amount of work that is needed to reopen a case every time a Member of Parliament writes, is something that we should consider in fairness to the staff who have to deal with these matters.

Andrew Mackinlay: I disagree with that. That is rubbish.

John Reid: I do not think that anyone would disagree with looking at that, but that is certainly part of the burden of consultation that we hope would be carried out.

Mr. James Clappison (Hertsmere) (Con): The 283,000 estimate to which the Home Secretary referred relates to asylum seekers whose claims have ultimately failed. Does the time scale of five years apply to those individuals, and what does "resolve" mean in their case? Does it mean that they will be removed from the country, or what else does it mean?

John Reid: It obviously means that in the last instance, having got rid of duplicates and errors, and those who have died or left, as far as can be ascertained, and having moved out of consideration those who are now here legitimately because they are from EU countries, although they may not have been in the first instance, we will come down to those who have been granted leave to remain and those for whom the final decision has been deportation. We will do everything possible to identify and to remove those people. It means exactly what it says. Does it mean that none of those people will face deportation to a country where it is illegal to deport them, or that they will not face the usual obstacles that we would face with anyone else? No, it does not mean that. We are living in the real world. But it does mean that each and every one of these cases will be attended to within a five-year period, rather than just sitting there, unattended, as has been the case up to now.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I welcome my right hon. Friend's comments about the need to crack down on illegal working. Further to the point made by my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), the Chair of the Select Committee, about the need for all parts of government to work together on this matter, will the Home Secretary consider establishing one clear point of contact to which anyone with suspicions about illegal working can report them in the reasonable expectation that they will be properly looked into and dealt with by all parts of government working together?

John Reid: The new director of enforcement whom I announced earlier today is already engaged on that matter, and I think that he has already started to make arrangements with Crimestoppers in that regard.

Stewart Hosie (Dundee, East) (SNP): I thank the Home Secretary for giving notice of the statement and I welcome many of the initiatives, particularly the action on rogue employers. With regard to the consultation on the creation of a migration advisory committee, no doubt to inform the creation of the shortage occupation lists, the Home Secretary will know that the Government have rejected devolution of the separate Scottish occupation list, but will he consider seriously the creation of a Scottish migration advisory committee to inform the creation of the separate Scottish occupation list?

John Reid: We always keep in contact with our colleagues in the Scottish Executive on these matters. For instance, I know that the Minister for Immigration, Citizenship and Nationality, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), will visit Scotland in September. I visit regularly and we have discussions not only with the Minister for Justice there, Cathy Jamieson, but also the First Minister, Jack McConnell, and they have been forceful in trying to ensure that the Scottish dimension enters all of our considerations, and I am sure that that will continue.

Mr. Neil Gerrard (Walthamstow) (Lab): To return to the point made by my hon. Friend the Member for Vauxhall (Kate Hoey) about the implications of a move to agency status, I have no problem in accepting that I have the right to represent my constituents, and I will do that in whatever way I want, but at the end of the day who will make the decisions? When one looks at other agencies, one realises that a possible implication is that in future Ministers will not get involved in individual decisions and a Member will not be able to take up a case with the Minister. Will that happen, or, at the very least, if anything like that is proposed, will that be discussed thoroughly with hon. Members before it does happen?

John Reid: I do not know whether I will disappoint my hon. Friend, but by and large at the moment we do not take those decisions. We reserve the right to intervene, and I do not envisage that we would lose that right, but at the moment we try to use that sparingly, not least because it is one thing—a difficult thing—to have an indiscriminate number of letters sent in about cases—*[Interruption.]* My hon. Friend the Member for Thurrock (Andrew Mackinlay) keeps intervening from a sedentary position and referring to cases that have been delayed or files that have been lost. I have already been absolutely clear on that. It is a sine qua non for looking at the relationship and the practical implications of intervention that we remedy the very defects that are causing hon. Members to intervene on so many occasions, causing legal difficulties in removing people because of the inordinate and unjustifiable delays. I fully accept that, and part of the deal has to be that there is a better performance and a speedier turnaround, and that at the end of the day Members and Ministers reserve the right to intervene and to make representations. All I am saying is that as we improve the system, I hope that we will thereby reduce the scale of intervention by Members and Ministers, because the inadequacies, unjustifiable delays, lost cases and miscarriages of justice on these matters will be diminished.

Mr. William Cash (Stone) (Con): Will the Home Secretary accept that perhaps he is creating some confusion between what he is saying and what the Lord Chancellor was saying on the "Today" programme today? In particular, will he accept that he is ducking the issue by transferring the interpretation of the existing legislation to the courts, and that the real legislation should be made in this House in terms that enable people to have a fair trial or fair treatment, and that means that we have to repeal the Human Rights Act 1998 and guarantee that there is no move to majority voting in the Council of Ministers regarding immigration questions under the European treaties? Does the Home Secretary accept that?

John Reid: I am deeply sad to disappoint the hon. Gentleman, but on this occasion he is not able to lay the ills at the feet of the Human Rights Act. The Chahal judgment was in 1996. It was before the Human Rights Act. Indeed, it was before the Labour Government. That judgment was made under a Conservative Government. The other impediment to a speedy resolution of many of these cases also predates the 1997 Labour election victory, and that is, as I said earlier, paragraph 364 or the immigration rules of 1994. If the hon. Gentleman wants to address both those matters, he should join us, but in doing so he would not destroy the Human Rights Act, because both matters pre-date that.

Mr. Tom Harris (Glasgow, South) (Lab): Does my right hon. Friend envisage a change in the law in order to deal with asylum seekers who successfully claim refugee status, but who immediately apply for travel documents in order to return home to pay a visit to the country from which they claim to have fled because they have been persecuted, or do the Government already have the means to deal with that abuse?

John Reid: The answer is that I do not know. My hon. Friend has started to engage with my hon. Friend the Minister for Immigration, Citizenship and Nationality on the matter, which will be looked into. We have made it plain that if we need to amend the law or the regulations in order to achieve a fair and effective immigration system, which is what people want, we will do so. In today's world, where 200 million people migrate every year, a managed migration system is important, and if we have to change the law and regulations to achieve that, we will do so.

Points of Order

1.40 pm

Mr. Peter Bone (Wellingborough) (Con): On a point of order, Mr. Speaker. On the last three sitting days before the 76-day summer recess, there have been 98 written ministerial statements. It is impossible for hon. Members to scrutinise the Government given the deluge of statements, and it is also clear that the vast majority of the statements could and should have been made earlier. Can you help to rectify what appears to be a gross abuse of power by the Executive?

Mr. Speaker: The advice that I received when I first entered the House was that I should specialise, and the hon. Gentleman should read the statements on the subjects in which he is specialising. It has taken me a long time to get Ministers to be accountable to this House, and written statements are a form of accountability, which I welcome. I would rather have written statements than nothing at all.

The Leader of the House of Commons (Mr. Jack Straw): Further to that point of order, Mr. Speaker. My right hon. Friend the Chief Whip and I have made every effort to reduce the number of written ministerial statements tabled on the last day of the Session. In the past, about 60 written ministerial statements were tabled on the last day of the Session, compared with 14 today. The hon. Gentleman cannot complain about the large number of written ministerial statements that were tabled earlier, because we have done what we said we would do to ensure that hon. Members are not ambushed on the last day. On this occasion, it should be bouquets rather than brickbats from the hon. Gentleman.

Keith Vaz (Leicester, East) (Lab): On a point of order, Mr. Speaker. As you know, hon. Members jealously guard their right to be informed when other hon. Members visit their constituencies. On Friday, the right hon. Member for Witney (Mr. Cameron), the Leader of the Opposition, visited my constituency. I had discovered that he was coming before his visit, so I approached him, welcomed him to my constituency and told him that I could not be present at the function—I do not mind other hon. Members visiting my constituency, even if they do not tell me. However, he addressed a gathering of members of the British Hindu community in what he thought was flawless Gujarati. There was bewilderment, because the majority in the audience thought that he was talking in a cross between Chinese and Welsh. Is it possible for guidance to be given to hon. Members on the courtesy of writing to let other hon. Members know when they are visiting their constituencies and on the need to have a proper tutor if they choose to speak another language?

Mr. Speaker: I will not head into that area.

Mr. Roger Gale (North Thanet) (Con): On a point of order, Mr. Speaker. I apologise for momentarily delaying the well-deserved tribute to the Clerk of the House. May I seek your assistance in protecting the rights of Back Benchers and preserving the courtesies and customs of the House in connection with written answers? Following a well-publicised policy change by the Government arising from an article in the *News of the World*, I tabled a question for answer on 26 June. On that day, the Home Secretary said that he would reply as soon as possible. Nearly one month later, I tabled a further question asking when he might be interested in telling me when he met the *News of the World* to discuss the matter. Yesterday, I received another written answer from the Home Secretary, which stated that he would reply "as soon as possible". The Home Secretary must know whether he met the *News of the World*. When and how will we get the traditional answers to written questions out of Ministers in a timely fashion?

Mr. Speaker: I thank the hon. Gentleman for letting me know that he was going to raise that point of order. It is important that Ministers answer questions in time, and I know that the Leader of the House shares that view. I hope that the current delays can be dealt with quickly, because parliamentary questions are an essential part of the accountability of Ministers to this House.

Mr. Jim Devine (Livingston) (Lab): On a point of order, Mr. Speaker. I am a relative new boy, and I am inexperienced in the procedure of the House, so I seek your guidance, Mr. Speaker. Last week at Deputy Prime Minister's questions, my right hon. Friend the Deputy Prime Minister stated that the constituency party of the hon. Member for Rochford and Southend, East (James Duddridge) had received funding from a company that wanted to build a casino. The hon. Gentleman replied that that was a lie and raised a point of order. However, I have checked his entry in the Register of Members' Interests, which includes a company called Aston Wood Properties. In August 2003, the local newspaper stated that Aston Wood Properties hoped to build a casino, along with a hotel and nightclub, on the site of the old Keddies store in the High street, which suggests that the Deputy Prime Minister was correct. How can we rectify the situation?

Mr. Speaker: The House was very noisy at that Deputy Prime Minister's questions—I remember the hon. Gentleman being in the Chamber. It is not helpful to the proceedings of this House when allegations go from one side of the House to the other. If any hon. Member has any complaint about the behaviour of another hon. Member, there is a procedure, which I will not go into at the moment—I am not encouraging anyone to use the procedure. If the word "liar" was shouted, it would have been helpful if there had been less noise in the Chamber, because those hon. Members who know me well know that I would not have tolerated such language and would have called for an immediate withdrawal. However, I cannot do that if there is so much noise that I cannot hear what has been said. I would appreciate it if hon. Members listened rather than throwing in their tuppence-worth and shouting across the Chamber.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): Further to the point of order raised by the right hon. Member for Leicester, East (Keith Vaz), Mr. Speaker. May I point out for the record that I accompanied my right hon. Friend the Member for Witney (Mr. Cameron) to the function mentioned by

[Mr. Shailesh Vara]

the right hon. Gentleman? As my right hon. Friend's tutor in Gujarati, and as a fluent Gujarati speaker, I advise the right hon. Member for Leicester, East to turn to page 7 of the *Leicester Mercury*, where the quality of Gujarati spoken by my right hon. Friend is highly praised.

Mr. Speaker: I have enough to worry about in dealing with the *Springburn Herald*, so I will not get involved.

James Duddridge (Rochford and Southend, East) (Con): Further to the point of order raised by the hon. Member for Livingston (Mr. Devine), Mr. Speaker. May I apologise unreservedly for any intemperate or inappropriate language? I thank the hon. Gentleman for raising the issue with me in advance, which gave me the opportunity to give him a statement from my local association outlining where the Deputy Prime Minister got his facts wrong. Would it be helpful if I were to write to you enclosing a copy of that statement to allow hon. Members to see where the point of confusion arose?

Mr. Speaker: I think that the hon. Gentleman has apologised, which is good enough for me. We should put an end to the matter and leave it at that. Sometimes, particularly at Deputy Prime Minister's questions, things get very heated, so we will move on and have a nice recess.

Passenger Transport Authorities (Regulation)

1.49 pm

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): I beg to move,

That leave be given to bring in a Bill to enable passenger transport authorities in certain metropolitan districts in England to regulate passenger transport operations; and for connected purposes.

The Bill is intended to strengthen passenger transport authorities—PTAs—and passenger transport executives—PTEs—in metropolitan England outside London. The reason for doing that is to encourage greater use of public transport and to enable PTAs and PTEs to be more innovative with public transport schemes in their own areas. Essentially, my proposal is to gain for the rest of metropolitan England what London already has.

My Bill has three elements: a strengthened regulatory role for PTAs and PTEs; the explicit ability to enter into partnership agreements with neighbouring areas, most obviously covering travel-to-work areas that cross county boundaries; and the ability of those strengthened PTAs to receive grant aid directly from central Government. In Tyne and Wear, that would have the great advantage of eliminating the funding shortfall for the pensioners concessionary bus travel scheme.

My Bill is unashamedly pro-public transport. It favours the citizen and the broader public interest over narrower commercial interests. All the traditional arguments in favour of public transport still stand: the impact of public transport on congestion, public transport as a liberating instrument of social inclusion, and public transport as a support for the labour market and economic activity more generally. Those arguments are well known and understood and are in themselves pretty persuasive, but it is surely the case for public transport as energy-efficient and environmentally friendly that should compel us to renew our efforts in this area. The strengthened PTAs proposed in my Bill would have control over the strategic highway network in their area. They would be able to control bus lanes and bus priority carriageways and assert the routes used for bus travel, so that the public interest could be asserted over the bus operator's commercial interest.

Let me give an example of why this is necessary. The No. 22 bus operated by Stagecoach in my constituency is supposed to go down Shields road. It always used to go down Shields road, local people want it to go down Shields road, and the bus stops are on Shields road. However, the bus is now diverted into a residential area—Valentia avenue and Iolanthe crescent. Some 800 local residents have signed a petition requesting it to be returned to its former route. I have tried to get the bus route put back to how it was, as have the PTA, the local council, and local residents in direct meetings with the operator, but the answer remains no. That is not for any public service reason but for the operating convenience of the bus company, which has rerouted the bus past its depot so that it can change drivers. And people complain about provider capture in public services!

The operator behaves in that way because there is no-one to insist that it should not. My Bill would remedy that. Powerful stand-alone transport authorities would be able to invest in the public transport network and their own capital programmes. Of course they would have to be audited and held to account for the money that they were spending, but at least they would be able to get on with it.

Bus deregulation has not led to a growth in bus travel outside London. Since deregulation, fares have increased by 86 per cent. in PTA areas and bus use has halved. Bus use in Tyne and Wear has declined by 48 per cent. in the past 20 years. Bus operators' response to declining use is to cut services, reduce costs, raise fares and seek public subsidies. As the bus service weakens, people look for alternatives—most obviously, the private motor car. Nor has deregulation brought new, exciting, innovative bus operators into the market. Market entry costs are high, and existing operators are pretty well placed to see off any new competition. In London, buses are carrying more passengers than at any time since the 1960s, whereas in the rest of metropolitan England the movement is in the opposite direction. That is neither sustainable nor desirable. As a remedy, I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Mr. Nicholas Brown, Mr. Doug Henderson, Mr. David Clelland, Mrs. Sharon Hodgson, Mr. Stephen Hepburn, Mr. Chris Mullin, Mr. David Anderson, Mr. Fraser Kemp, Mr. George Mudie, Mr. Clive Betts, Graham Stringer and Mr. Stephen Byers.

PASSENGER TRANSPORT AUTHORITIES (REGULATION)

Mr. Nicholas Brown accordingly presented a Bill to enable passenger transport authorities in certain metropolitan districts in England to regulate passenger transport operations; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 20 October, and to be printed [Bill 221].

Sir Roger Sands KCB

1.55 pm

The Leader of the House of Commons (Mr. Jack Straw): On behalf of my right hon. Friend the Prime Minister, the Leader of the Opposition, the leader of the Liberal Democrats and all the other leaders of political parties here represented, I beg to move,

> That Mr. Speaker be requested to convey to Sir Roger Sands KCB, on his retirement from the office of Clerk of the House, the House's gratitude for his long and distinguished career, for his wise contribution to the development of the procedures of the House, for his leadership and professionalism in the discharge of his duties as chief executive of the House, and for the courteous and helpful advice always given to individual honourable Members.

I have no doubt that the rest of the House will wish to join party leaders and me in supporting this motion to pay tribute to Sir Roger Sands, who on 30 September will retire as Clerk of the House. That date will mark 41 years of service, during which time he has not only watched the House change but played a vital role in shaping those changes and in ensuring its continued relevance and vitality. Over the course of his career, which began in the early days of Harold Wilson's Government in 1965, Sir Roger has occupied almost all of the senior positions in the Clerk's Department, including Clerk of the Overseas Office, Principal Clerk of Select Committees and Registrar of Members' Interests, Clerk of Public Bills, Clerk of Legislation and Clerk Assistant, before becoming Clerk of the House in January 2003.

Yet according to more than one of his colleagues, despite playing such a number of prominent roles he has left few personal embarrassing personal anecdotes behind him; evidently he was too shrewd and reliable for that. However, he did manage to get described in one departmental missive as being

> "like a lethal hunter-killer submarine"—

a clear warning that his manner belied a forensic mind and a tenacious ability to stick to an argument. As I am sure all colleagues who have encountered Sir Roger will readily acknowledge, he has been unfailingly courteous in all his dealings. As one of his colleagues in the Clerk's Department remarked, "His capacity to soak up problems without over-reacting to them never ceased to amaze. The worst reaction I ever saw was when he professed, after being badly let down, to be 'Very cross'."

Let me turn to the aspect of the motion that refers to the wise contribution that Sir Roger has made in developing the procedures of the House, and particularly in discharging his duties as Chief Executive. The important experience that he gained during the 1980s as Secretary of the House of Commons Commission meant that he developed acute antennae for Members' concerns. He was therefore well placed, when becoming Chief Executive as well as Clerk of the House, to guide the Board of Management through a period of significant change. As a result, he leaves the House in a much better position to address the further challenges that it continues to face.

It should be emphasised, however, that long before he got the senior job, Sir Roger had already made a difference to the administration of the House. In the mid-1990s he succeeded in negotiating new contracts

[Mr. Jack Straw]

for the House's printing and publishing needs. They managed to provide considerable cost savings without sacrificing quality.

More generally, Sir Roger has played a critical role in helping the House to remain at the centre of public and political life. As he noted in his letter of retirement:

> "The House of Commons is a much-criticised institution; and its own Members are often as critical an anyone. But whatever its perceived failings, the House remains at the centre of political and public life and is the envy of most other countries in the world."

Those who dispute that and dismiss Parliament as an irrelevance display their ignorance of this place. It is all too easy to dismiss this magnificent gothic structure on the bank of the Thames and mistake Parliament for a monument, fixed and unchanged for countless years.

Parliament is not a monument. It has the most extraordinary history but it is a living institution, and as such, must constantly be refreshed and renewed. That is what Sir Roger Sands has helped to achieve. However, he would be the first to acknowledge—as indeed he has—the critical support that he received from all the staff of the House in doing his duties as Clerk. In paying tribute to Sir Roger, we pay tribute to all the staff in post and the many others who have left in recent years from all departments and all levels in the House, often after many years' service. They may rarely be seen or noticed by those outside these buildings, but as hon. Members of all parties know, the House of Commons and Parliament could not function without the superb officials who serve it and the broad spectrum of talent that they possess.

As the England football team demonstrated rather vividly earlier this month, a talented group of individuals does not alone guarantee an effective team. Leadership is all important. Roger Sands provided that and we are deeply grateful to him for doing so. We will miss him greatly. We thank him warmly and wish him and his wife, Jennifer, well for the future.

2.1 pm

Mrs. Theresa May (Maidenhead) (Con): It is with great pleasure that I support the motion in the name of the Prime Minister and other right hon. and hon. Members to mark the retirement of Sir Roger Sands.

Sir Roger has given years of distinguished service to the House and hon. Members, and we shall be sorry to see him go. In his 41 years here, he has probably done nearly every job in the Clerk's repertoire. He served as secretary to the Chairman of Ways and Means, looking after the Deputy Speakers—I suspect that he has some good stories to tell. Despite being, as you mentioned at his retirement party yesterday, Mr. Speaker, a very English Englishman, he served for four years as a respected Clerk to the Scottish Affairs Committee. I am sure that he enjoyed his visits to the highlands and islands and Prestwick, although I suspect that the work on dampness in Scottish housing may have been slightly less fun.

Sir Roger was for several years Secretary to the House of Commons Commission and Clerk to the Services Committee. Dare I say it, but 20 years on, he has been dealing with some of the same issues, including the rules on the use of prepaid envelopes. He many not be sorry to see the back of that.

For four years Sir Roger was Clerk of the Overseas Office. I am sure that that enabled him to build up a network of friends and contacts, which doubtless stood him in good stead when trying to find out what Parliaments around the world, especially in the Commonwealth, were up to when we wanted to draw on their experience.

However, I suspect that he might have most enjoyed his two stints in the Public Bill Office, including seven years in charge, dealing with the intricacies of the legislative process. That is where many hon. Members will have learned to value his advice and assistance.

Since 1 January 2003, Sir Roger has been Clerk of the House and Chief Executive. He was not the first Clerk to have the title of Chief Executive, but he was the first for whom it was part of the job description from the outset. I suspect that it has played a greater role in his job than it did in the past. I want briefly to reflect on that aspect of his contribution to the House.

Although most hon. Members will remember his contribution in advising on the business of the House in every sense, for the staff of the House his contribution as Chief Executive will have had most impact. It is too easy for Members to forget the work that needs to go on behind the scenes to ensure that this place functions as smoothly as they expect. In that capacity, Sir Roger has had to get to grips with issues such as best practice on tender procedures, diversity strategy and value for money audit reports that many previous Clerks would have felt far removed from the role of the Clerk to the House of Commons.

As we move into a world of more accountability and a culture of compliance, the role has brought with it increased responsibilities and duties. Sir Roger has chaired the Board of Management not only with skill but with sensitivity and courtesy, and I am sure that his quiet but incisive style and absolute integrity have served the House, its Members and staff well.

I am reliably informed that there is a link between Sir Roger and Tiger Woods, in that he is an occasional golfer—Sir Roger, I mean. I have been given a description of his golfing technique, which mirrors his approach to his work here. I am told that he is accurate, steady and unflappable on the links, with a deceptively slow backswing, which accelerates the club towards the middle of the ball and generally strikes it further and straighter than might at first sight seem likely.

Just as on the golf course, so in Sir Roger's work, where he has also been accurate, steady and unflappable, and where his quiet approach has masked an ability to strike at the heart of an issue and achieve more than many, on occasions, thought possible.

I join the Leader of the House in thanking all who have served the House. Today in particular, we wish Sir Roger and his family well. We thank him for all he has given this House and its Members in the past 41 years, and wish him a happy retirement.

2.5 pm

Mr. Alan Williams (Swansea, West) (Lab): What do I need to say about such a parliamentary colleague? That, of course, is what Sir Roger Sands is, although he is not a Member of Parliament. He has been here for only one year less than me—he gets the gold watch and I get to be Father of the House. I leave it to hon. Members to decide who got the better deal.

What can I say about someone who is retiring at the peak of his career? Sir Roger is universally recognised by his colleagues as being the right man for the job. They display no envy or criticism of the fact that he had the job, they simply express admiration for the way in which he has carried it out. That respect is due to an unusual combination of qualities: his great ability and his even greater modesty. It is typical of Sir Roger that he was sitting in the Chamber as we started the business, but now he has disappeared. I suspect that he would have sunk below the Table had he been here to listen to all the compliments that he would have had to endure. He is deceptively unassuming.

As has been said, Sir Roger is only the second Clerk of the House to be Chief Executive. That is an enhanced role; it is Clerk of the House plus. The House has taken on a new corporate structure, and he and the Board of Management have accepted responsibilities that the House of Commons Commission previously exercised. As Chairman of the Liaison Committee, I can say that Sir Roger has presided over the greatest enhancement for a quarter of a century in the quality and number of resources available to back up Select Committees. He has undertaken both functions with his colleagues with great ability. There has been a smooth transition to an improved system in both cases.

I was a little surprised—although I should have known this—to discover that Sir Roger is also the accounting officer. I serve on the Public Accounts Committee, yet I was unaware of that. I hope that he will not feel deprived by the knowledge that in his years as an accounting officer, we never felt that we had to call him before the Public Accounts Committee. Many of his accounting officer colleagues in Whitehall wish that they had shared that deprivation.

On behalf of Back-Bench colleagues who are unable to be here today, myself and all other members of the Liaison Committee, I thank Sir Roger and congratulate him on 40 years of outstanding service to the House. I wish him and his wife a long, happy and fulfilling retirement.

2.9 pm

Mr. David Heath (Somerton and Frome) (LD): Liberal Democrat Members associate ourselves with and fully support the motion that the Leader of the House presented. The comments that have already been made exemplify the character and quality that Sir Roger has brought to his position over the past few years and throughout his career as a servant of the House. That is what we give him credit for today.

Unlike the Father of the House, I was not around the House in 1965. In fact, very few of the present Members were. It was a very different House in those days. Sir Harry Hylton-Foster was in your Chair, Mr. Speaker, Harold Wilson spoke as Prime Minister at the Government Dispatch Box, and Edward Heath spoke from the Opposition Front Bench. It might be of interest to the House to learn that, in 1965, it was not felt necessary to adjourn for the summer recess until 5 August. And to add a little liveliness to the proceedings on the last day, instead of a debate on the adjournment of the House there was a motion of no confidence in the Government to send Members on their way with a smile. Those were the days!

It is fair to say that Sir Roger, in his role of Clerk of the House and Chief Executive, has received the credit not only of Members of the House but of all the staff who have worked with him. His is a big job nowadays; it is by no means a sinecure. The Leader of the House was entirely right, in paying tribute to Sir Roger, to pay tribute to all the staff of the House who give us such excellent service. As we are talking about the Clerk of the House today, I shall mention the Clerks Department specifically in that regard. We might sometimes have reason to argue with their use of English when it is different from our own, and there are occasions on which we find it difficult to accept their advice. However, that advice is always given with courtesy and accuracy, and with the interests of the House in mind. We give them great credit for that, because without it, the House could not operate as an effective legislature.

There is life after the House of Commons for former Clerks of the House. I have the great pleasure of having Sir Donald Limon as one of my constituents. He lives in the village of Kingsdon, and I meet him at least twice a year when Witham Friary cricket club plays Kingsdon cricket club on one of the great occasions of the sporting calendar. Just a couple of weeks ago, I had the great pleasure of going to an Edwardian tea party to mark the centenary of the railway coming to Somerton. Sir Donald Limon was not only singing in the choir; he was a soloist. I note that one of Sir Roger's recreations is listening to music. Perhaps there is a possibility of a former Clerks' society being formed, in which Sir Donald could sing and Sir Roger could listen. I applaud Sir Roger, and I wish him and Lady Sands every health and happiness in a long retirement.

2.13 pm

Jim Dowd (Lewisham, West) (Lab): I am grateful for this opportunity to speak today. It is somewhat unusual for such a lowly and humble example of parliamentary life as a mere Government Back Bencher to take part in occasions such as these, but I hope to explain why I am doing so.

I first came across Sir Roger—as he then was not—in my role as an Opposition Whip in the early 1990s. It was only a few years later, when I had been transmogrified into a Government Whip, that I was at a meeting with Sir Roger and some of his Clerk colleagues. As I went in to the room, I heard Roger say, "Oh, it's my MP!" I looked round the room to see to whom the remark was being addressed, and realised that it was me. It transpired that he lived not only in my constituency but in the same part of it as I did. [HON. MEMBERS: " Did he vote for you?"] Well, that is the next point that I want to make.

I try to be a conscientious, hard-working and informed Member of the House, so, on my return to my office, I immediately went to our canvassing records. I looked at the appropriate address—which I shall not divulge—and, sure enough, there were Roger and Jennifer Sands. Next to the voting intention, it said in bold capitals: "WON'T SAY", so he was clearly the soul of discretion—

Mr. David Winnick (Walsall, North) (Lab): That is a "don't know".

Jim Dowd: Well, they can sometimes count as the same thing.

On his deserved promotion to Clerk of the House, Roger had to leave the leafy green suburbs of Lewisham, West and take up residence in the precincts of the Palace. Hon. Members will recall that, in February 2003, the Joint Committee on House of Lords reform, chaired by the then Member for Copeland, Jack—now Lord—Cunningham, reported back to the House. There followed the famous occasion on which we had five votes but did not achieve a majority in favour of anything.

The report had been carefully constructed to omit any option for the abolition of the House of Lords, which is something that I believe in. I should like to say in passing to my right hon. Friend the Leader of the House that my attitude to the House of Lords is similar to my attitude to a wasps' nest. We should either leave it alone or get rid of the whole bloody thing. Chopping it in half is probably the worst thing to do—

Chris Bryant (Rhondda) (Lab): You could fumigate it.

Jim Dowd: What, the House of Lords?

I then went with a delegation, led by my right hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth), to press for an amendment on the abolition of the House of Lords to be included. We reasoned this with Roger and his colleagues, and they were very kind to us. Being enlightened and sensible, they agreed that they would recommend this course of action to Mr. Speaker. The power to decide whether such an amendment should be included does not lie with the Clerks; they simply recommend such proposals to the Speaker.

We had obtained more than 100 signatures to that amendment. Technically, however, the only way of tabling it would have been to table it as an amendment to every one of the seven options that came out of the report. In a spirit of consensual reasonableness, I said to Roger, "Of course, we would not expect it to be repeated on every amendment. We only need to take the top six of the subsequent amendments. After all, we would not want to block up the Order Paper." Roger then said, in his charmingly laconic, quizzical and amusing way, "Ah, a gang of hardened revolutionaries not wanting to block up the Order Paper—whatever next?"

I thank Sir Roger for his advice, courtesy and service to the House over the past 40 years. I would also like to thank Lady Jennifer, who has been a valued and much appreciated volunteer at the Sydenham citizens advice bureau, where she has made a considerable contribution. Along with all other hon. Members, I wish them every happiness and good fortune in retirement.

2.17 pm

Rev. Ian Paisley (North Antrim) (DUP): It is always sad when friends go, and we are reminded of the onward sweep of time. Thirty-seven years ago, I was elected to the Northern Ireland Parliament, and there was an old hand there whom I had known for years. He said, "I am going to tell you a few things that you need to know, Ian. First of all, the Speaker is infallible. He makes no mistakes, provided that he is sitting. When he gets up, you will realise that he is infallible, or out you will go." I am encouraged that today is the last day of term, because even if I am put out, it will only be for a few minutes. That would not worry me too much.

That friend also told me certain strange things about Clerks. He said, "You keep your eye on the Clerks, because they have the power. If you run across the Clerks of the House, you are finished." I asked him why that was, and he said, "Remember that the Clerks never pray. You will probably go in to prayers, but the Clerks' seats are removed from the House at that time. The Speaker and the Chaplain take their place." Mr. Speaker, I am sure that you will know the scripture that says that we are to pray to our father that seeth in secret, and the father that seeth in secret shall reward us openly. No doubt the Clerks have been rewarded openly, because they have not prayed. I was rather amused by that.

My friend also said, "When you speak, and you are holding forth with fire, the Speaker could get restless and move his hand on to or off his knee, or take a pencil and tap it on the Order Paper. That is nothing to worry about." "But," he said, "he might lean over to consult one of the Clerks. Then you're in a different circumstance. But you might even triumph on such a day. There is one time that I will warn you of—when the Clerk himself moves back his head, and the Speaker moves forward his, then the guillotine is coming down." I have remembered that in my career, and I have escaped the guillotine so far. I do not know for how long.

The Clerks do a job that is, in many ways, a thankless one. When I came into the House, there was a very robust Conservative Member, whom I will not name, who was running into trouble with the Clerks because they did not like the questions that he tabled. He used to argue with them—I was with him one day, and he kept me for almost half an hour as he argued with them about a question. Then he looked at the Clerk, used language that I would not use, and said, "I came to this House to ask questions, and you'll not stop me." The Clerk said, "All right, I'll put down the question." Of course, the question was ruled out by the Speaker, so he made no progress. Therefore, the Clerks have great power.

None of the present Clerks ever had the opportunity of putting me out of the House, but other Clerks had. Once, I was sitting just above where I stand now, at a time when the Tory party was in power, when all three Democratic Unionist party Members were put out. I remember with gratitude the Deputy Chief Whip of the Labour party who shielded me. One of the officials said, "If we touch you, you will go out for six months." He said, "You'll never touch him," and put his arms round me—it was the first time that I was embraced by a Labour Whip. He was a fine man, and I think that he is enjoying his retirement at the moment. He was a member of the Salvation Army, and he did a good salvation job on me that day. The interesting thing was that there was no car to take me away, and the Prime Minister's car was borrowed to get rid of me. I left the

House that day, was not touched, and got the Prime Minister's car to take me to the airport. That is democracy in action.

I am grateful to Sir Roger for the courtesy that he has shown to Members from the smaller parties in the House. He has always been willing to listen to us, help us and say, "This is the best way to do it." On behalf of all my colleagues, I pay tribute to him and wish him a happy retirement. We trust that he will run harder and faster with those things that will occupy his heart and mind in retirement. I endorse all that my colleagues have said about him today.

Mr. Speaker: Before I put the question, I should like to add my own tribute to Sir Roger Sands. As my principal adviser on procedural and management responsibilities, he has always offered me wise counsel, tempering his advice with good humour, patience and common sense. For that, I owe him a great personal debt, and I think of him as one of the most intelligently dutiful individuals whom I have ever met. It should also not be forgotten that Sir Roger was the first Clerk to be selected as Chief Executive of the House of Commons Service, and he has done much to enhance the efficiency from which we all benefit. I know that on 30 September, the 41st anniversary of his first joining the House, Sir Roger and Lady Sands will take into retirement the thanks and best wishes of all Members past and present.

Question put and agreed to.

Resolved,

That Mr Speaker be requested to convey to Sir Roger Sands KCB, on his retirement from the office of the Clerk of the House, the House's gratitude for his long and distinguished career, for his wise contribution to the development of the procedures of the House, for his leadership and professionalism in the discharge of his duties as chief executive of the House, and for the courteous and helpful advice always given to individual honourable Members.

NORTHERN IRELAND (MISCELLANEOUS PROVISIONS) BILL (PROGRAMME) (No. 3)

Motion made and Question put forthwith, pursuant to Standing Order No 83A(6) (Programme motions),

That the following provisions shall apply to the Northern Ireland (Miscellaneous Provisions) Bill for the purpose of supplementing the Orders of 13th March and 19th April 2006 (Northern Ireland (Miscellaneous Provisions) Bill (Programme) and Northern Ireland (Miscellaneous Provisions) Bill (Programme) (No. 2)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement at this day's sitting.

2. The Lords Amendments shall be considered in the following order, namely: 3, 1, 2 and 4 to 6.

3. Any further Message from the Lords may be considered forthwith without any Question being put.

4. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*[Mr. Alan Campbell.]*

Question agreed to.

Orders of the Day

Northern Ireland (Miscellaneous Provisions) Bill

Lords amendments considered.

New Clause

Lords amendment: No. 3

2.25 pm

The Minister of State, Northern Ireland Office (Mr. David Hanson): I beg to move, That this House disagrees with the Lords in the said amendment.

In all parts of the House, there has long been awareness of some of the real concerns about the way in which Northern Ireland legislation is dealt with through the Order in Council procedure. We have had many debates about such matters with Members on both sides of the House in the past 15 months during which I have had the privilege of holding this office. We have had discussions in Committee, which have sometimes spilled over into discussions on the Floor of the House. The Government have been considering how to improve the procedure, about which my right hon. Friend the Secretary of State wrote to the official Opposition spokesman and other parties last year. As it happens, the other place has helpfully tabled an amendment to deal with those matters, on which we are focusing today.

My noble Friend Lord Rooker and my right hon. Friend the Secretary of State have considered the procedures in the House, and we have concluded that we need to examine how the Order in Council procedure is to be changed. Following last week's Lords amendments, the Government have given an undertaking that, if we are unable to restore devolution by 24 November, we will quickly introduce measures to make direct rule more accountable. Our intention is for the restoration of the devolved Assembly by 24 November. Many of the matters dealt with under the Order in Council procedure are properly dealt with by the Assembly, should it be reconstituted. In the event of the Assembly not being reconstituted—of course, I hope that it will be—we will consider how to make those measures more accountable, agreed through the usual channels, if I may say so, with a stage of parliamentary consideration at which Northern Ireland Orders in Council can be amended. We will also ensure that, whenever possible, we legislate for Northern Ireland through Bills.

Lembit Öpik (Montgomeryshire) (LD): I am grateful to the hon. Gentleman for being so clear that the Government have finally listened to this request. Will he assure us, however, that in the unfortunate circumstance that the Assembly does not recommence by 24 November, we will not wait for months or years for the changes to take place? Can he assure us that the timetable will be a matter of days or weeks, not months or years?

Mr. Hanson: I thank the hon. Gentleman for his contributions on these issues. Obviously, the Government's first priority is to get the Assembly up and running, with the co-operation of colleagues on both sides of the House, by 24 November. In the unhappy event that the

[Mr. Hanson]

Assembly is not reconstituted, we will take an early opportunity to examine how to make the Order in Council procedure more appropriate, as has been discussed in another place and here. Although that will be considered as a matter of urgency, I hope that the hon. Gentleman will understand that the first priority of officials and Ministers is to get the Assembly back up and running.

Rev. Ian Paisley (North Antrim) (DUP): Of course, we are sorry that the provision is not going through now, as Members on both sides of the House have campaigned for it for a long time. I was just looking at *Hansard* from long ago, when the majority of Northern Ireland Members wanted that to be done. Success rests with the Government. If the Government put down the IRA and the so-called Protestant paramilitary—if they put an end to all the terrorism, cleaning of banknotes and so forth—we will have what we want: ideal democracy. If we can have that, however, let us have the same democracy that we have in legislation on this side of the water.

2.30 pm

Mr. Hanson: The right hon. Gentleman's support is always welcome, and I am grateful for the support that he has given to our objectives today. Let me say to the House, and to the right hon. Gentleman in particular, that the Government's prime objective is to get the Assembly up and running again. The matters dealt with by Order in Council are dealt with in that way because the Assembly is not sitting. I understand that the Government have responsibilities in regard to the restoration of the Assembly, but I say to the right hon. Gentleman with due respect that responsibilities also lie with all the political parties that are elected in Northern Ireland to ensure that the Assembly is reconstituted.

I ask the House to disagree with the amendment because in my opinion—and I hope that this is acceptable to Opposition Members—what it proposes is unnecessary in view of the Government's undertaking to consider further parliamentary scrutiny of Orders in Council. I hope that Members will not oppose the motion, but if they do, I hope that they will understand where the Government are coming from.

Mr. David Lidington (Aylesbury) (Con): I am grateful to the Minister for his introductory remarks, and in particular for the significant concession that the Government have announced today in response to repeated arguments from my right hon. and hon. Friends here and in the House of Lords, and from the Liberal Democrat and Democratic Unionist parties, about the unacceptable and undemocratic nature of our present system for Orders in Council affecting Northern Ireland.

Let me say at the outset that I share the Minister's hope that devolution can be restored in Northern Ireland by 24 November, and I hope that the Government succeed in that objective. It will come as no surprise to the Minister if I repeat what I have said on many previous occasions—that in my view restoration of devolution will be possible only if the republican movement is finally willing both to recognise the legitimacy of the police service and the courts in Northern Ireland, and to give its full and active support to those institutions. But if for whatever reason devolution cannot be restored by 24 November, Conservative Members will look to the Government to move quickly—I use their own word—to introduce new legislation to change the way in which Orders in Council are dealt with here.

It is intolerable that legislation which, if it concerned England, would be dealt with by a Bill, and which would be amenable to amendment and detailed debate by all parties and by Back Benchers in all parts of the House, should, in respect of Northern Ireland, be the subject of a time-limited debate on a single Order in Council, almost always taking place in a Committee Room upstairs. Worse, the Committees allow only perhaps four Northern Ireland Members to participate in discussions of measures relating to education, local government reform and health which directly and significantly affect the lives of the people whom those Members are sent here to represent. Insult is added to injury by the fact that in the case of Orders in Council as in that of any secondary legislation, Parliament must either accept or reject what the Government put before it. It has no power to amend an Order in Council.

Mr. Gregory Campbell (East Londonderry) (DUP): Does the hon. Gentleman accept that since the announcement that this move would be made, some people in Northern Ireland are describing it as a concession of a political nature? What the hon. Gentleman is describing, however, is something that should have been done years ago. It is something that stands in its own right, irrespective of deadlines, the restoration of devolution or anything else. It is something that ought to have been done already, and ought now to be done as quickly as possible.

Mr. Lidington: I agree. I described it earlier as a concession by the Government, but I would also describe it as a concession to democracy and common sense.

Sammy Wilson (East Antrim) (DUP): Given that it is a concession to democracy and not to a particular party, and given that between now and the time when devolution is restored in Northern Ireland—if it is restored—there is still a large amount of controversial legislation in the pipeline, is it not appropriate for the concession to be implemented now, rather than the Minister's making a promise for the future as he has today?

Mr. Lidington: I would have preferred the concession to have been introduced much earlier, but I think that when it comes to measures that affect the way in which Parliament collectively deals with legislation it is best, if at all possible, to achieve reform by means of consensus across the House of Commons rather than by making procedural moves a subject of party political dispute.

In view of the firm assurances that the Government have given today, we shall not oppose the motion, but if devolution is not restored in November, we shall hold Ministers to account and expect them to deliver what they have promised to the House.

Lembit Öpik: The Minister and the House know how strongly I have felt about this matter over the past two years. Indeed, on some occasions during Statutory

Instrument Committees I have been almost angry with the Government for failing to make the change. The Minister knows, but I warn him again, that he would not like me when I am angry. Nevertheless, I am relieved to know that he and the Government have seen the sense of a change for which the Liberal Democrats have called for more than two years.

I recall outrageous occasions on which the will of Northern Ireland politicians, speaking in unison, has been ignored in preference to the dogma of the Government. For example, the Government lost a vote on tuition fees in a Grand Committee in which they had a majority because Northern Ireland Members and others felt so strongly that that was the wrong move for Northern Ireland. Of course, we had no opportunity to amend the legislation, and Northern Ireland had imposed on it a piece of legislation developed entirely by the Government, with scant regard for the wishes of the people there.

In that context, I thank the Minister for placing on record the Government's intention to address the way in which we legislate for Northern Ireland in Westminster. That has been a long time coming. The Liberal Democrats, together with Conservative and indeed Northern Ireland Members, have expressed concerns on many occasions. We are grateful that the Government have now responded and are prepared to act.

We also appreciate the Minister's important observation that this is nothing to do with planning for failure. We are firmly committed to devolution, and we hope that the continuing priority of the Government and, indeed, politicians speaking for Northern Ireland constituencies is the re-establishment of the devolved Assembly. However, if the devolved Assembly is not restored by that date—and, as I have said, we sincerely hope that it is—we must move quickly to ensure that whatever processes are implemented in this place in the interests of legislation for the Province are implemented speedily.

I asked the Minister to confirm that the Government's timetable for change would be days or weeks rather than months or years, but I noticed that he declined to be that specific. I will be specific. In my judgment, the Government need to move on that change by the end of December 2006, because the situation has gone on long enough. Even December 2006 will provide the Government with four or five weeks to initiate a dialogue and produce plans to change the methodology for Northern Ireland legislation, thereby enabling it to be amended.

We also very much welcome the intention to legislate for Northern Ireland by means of primary legislation, wherever possible, but will the Minister clarify precisely what that means? Will we see more Bills like this one, where a number of measures that are not related to each other are all scrutinised at once, or will it mean that Northern Ireland measures will be included in legislation for England and Wales that is proceeding on the same subject areas at the same time? Given that we have debated anonymous registration in the Bill, it would have been much better if Northern Ireland provisions had been included by the latter means. I simply cannot understand why we separate Northern Ireland legislation from legislation intended for England and Wales where it is perfectly obvious that the same rules apply.

However, we appreciate that that would require discussions between various Departments, so I rhetorically ask the Minister whether such a feat would be possible. I sincerely hope—*[Interruption.]* I hear an equivocal response from the Minister so I will take the positive part of it. Silo thinking has to some extent made it difficult for the Northern Ireland Office to work with other Departments, where doing so would offer economies of scale and might lead to more consistent legislation. Will the Minister assure the House that there will be better co-operation and co-ordination between the various Northern Ireland departments and Departments in Whitehall?

Finally, this is an occasion when the Government are asking us to trust them without their having made specific legislative proposals or any specific modifications that could, through amendment, initiate the process that we are discussing in the Bill. I do not always trust the Government, but on this occasion I do, and I sincerely believe that the Minister is sincere and that his word is good. For that reason—*[Interruption.]*

David Simpson (Upper Bann) (DUP): The Minister is laughing.

Lembit Öpik: He is laughing with surprise and relief that on this one occasion we trust him—*[Interruption.]* I sense from mutterings not many Benches behind me that others may be somewhat more distrustful. Nevertheless, the Liberal Democrats accept the Government's promise on trust and we assume that we are talking about movement within a five-week period after 25 November. We also assume that changes will be implemented through statute by the end of February. On that basis, we thank the Minister for listening to our views on this important issue and we will not oppose the Government.

Kate Hoey (Vauxhall) (Lab): I would have supported the Lords amendments today, but given that the Minister has proposed what we all accept is a necessary step forward for securing democracy in Northern Ireland, I am happy to go along with it. I strongly urge that the work is done over the summer, so that we are ready to put these measures through as soon as the House returns after the recess.

I, too, hope that the Assembly will be back by 24 November. In the last few months, we have seen the Order in Council procedure used in a totally undemocratic way. Quite frankly, the Government are not seeking votes in Northern Ireland and they do not care about the people of Northern Ireland in the same sense that they care about the people of London, for example. If every single London Member said that they did not want something to happen, it would not happen. That was the case quite recently when London MPs were very angry about health issues and primary care trusts, and proposals were changed. On many Northern Ireland issues, however, all the parties from the nationalists to the Unionists support certain measures, but the Government have still railroaded their own policies through by the ridiculous Order in Council procedure.

Whatever the rights and wrongs of selection in Northern Ireland—I happen to think that the education system in Northern Ireland is a good system, even though, like every education system, it can be made better—forcing through a measure in two and a half hours in a Committee is not good enough. One Labour Member was taken off

[Kate Hoey]

the Committee because he had said that he would vote against the Government. I, of course, would not even be considered for that Committee. The Government seem to think that it is all right to put me on European Standing Committees or Statutory Instrument Committees, but not on a Northern Ireland Committee.

Disgracefully, that education measure was forced through. That was using education as a form of blackmail against the people of Northern Ireland and their politicians, when we all know that the vast majority of people there, although they may have wanted to change the way in which the 11-plus worked, did not want to stop academic selection. Minister after Minister stood up and said, "Oh, we are not getting rid of grammar schools; we are just getting rid of academic selection". Come on, really!

2.45 pm

I am pleased that we might be beginning to treat Northern Ireland people with the same respect and to accord them the same rights as we give to people in Scotland, Wales and the rest of the UK. If my hon. Friends who represent constituencies in England and their constituents were treated in the way that Northern Ireland Members—I include my hon. Friend the Member for Belfast, South (Dr. McDonnell) who is in his place behind me—and their constituents are treated, they would find it disgraceful.

If the new Assembly does not get up and running, I have real doubts about what might happen under some new procedure, because Sinn Fein has wanted to get rid of grammar schools since day one. If Sinn Fein can do anything to stop that Assembly coming back on 24 November, just in order to get rid of academic selection, that is what it will do. If Sinn Fein manages to stop the Assembly until just after 24 November, I hope that this House will find some way forward. I also hope that the Liberal Democrats would see how Sinn Fein had exploited the issue.

To go back to the nub of the matter, we must find a way of ensuring that the democratically elected MPs from Northern Ireland can take the necessary decisions. Where are they in all this? Why are they not accorded much more power? They have been elected and taken their seats in this place. They should be listened to much more, but because the Government do not seek a single vote in Northern Ireland, they refuse to organise there and refuse to give those people of the UK the opportunity to vote Labour or join the Labour party in any meaningful sense. It is so frustrating.

The Minister may not think so, but I have a lot of time for him and I believe that he has tried hard in very difficult circumstances—*[Interruption.]* I am probably ruining his remaining career in saying that. Seriously, though, he has tried hard and it can be extremely difficult to be the front-person when the Secretary of State has not been there, yet is pulling the strings. I am pleased that we are moving forward, but it must happen soon over the summer. If the Assembly does not return, we must ensure that the legislation goes through as quickly as possible. Let us do all that we can—the Government must do all that they can—over the summer to help the democratically elected parties in Northern Ireland to form an Assembly so that the people of Northern Ireland can have true democracy.

Mr. Peter Robinson (Belfast, East) (DUP): It is always a great pleasure to follow the hon. Member for Vauxhall (Kate Hoey)—and never more so than today. I completely endorse her comments, particularly those tangentially related to the education order, but I also welcome the general principles that she has enunciated.

My right hon. Friend the Member for North Antrim (Rev. Ian Paisley) from the early 1970s and myself from the later '70s have consistently championed the cause of ending the Order in Council procedure. As Northern Ireland elected representatives, we were capable of speaking on Second Readings of legislation relating entirely to England and Wales. We could table amendments and speak to them in Committee—at great length, if we uncharacteristically wanted to do so—and we could speak on Report and Third Reading. However, we could not do the same in respect of legislation that applied to our own part of the United Kingdom. It was irrational that we should have a greater say in the affairs of England and Wales than in those of the constituents who had sent us here from Northern Ireland. It was an absurdity—one that, regrettably, the Conservative Government did not attempt to rectify at the time; nor have the Labour Government done so, except that it appears that they have accepted that there is a case to be answered.

Perhaps I am just a sceptic, but I rather suspect that the Government making this concession had something to do with the strength of opinion of the Conservatives, Liberal Democrats and Cross Benchers in the House of Lords. The Government recognised that it might be in the interests of the Bill to make this concession, rather than the Minister having a Damascus road experience on the issue. However it may have come about, we are glad that the Government are moving in that direction, although, like the shadow Secretary of State for Northern Ireland, we would have preferred it to be done now.

Important legislation will be dealt with between now and whenever the Government rectify the situation, and particularly because issues such as water charging will come before the House. Those issues are of immense importance to our constituents and, unfortunately, they will be dealt with under the procedure, whereby only a few of our Members may get the opportunity on some delegated legislation Committee upstairs to speak on the issue for a few minutes. That is unsatisfactory when dealing with such important issues.

The Minister has not spoken about the process by which he would improve the Order in Council procedure. The Lords indicated that it wanted to make Orders in Council amendable and to introduce a procedure by which the Government could withdraw the order to consider the decision of the House and return with an amended order if necessary, or if the Lords did not amend it, the proposal would be adopted by the House. So the Lords made very specific proposals in its amendment, but the Minister has not said whether he would allow Orders in Council to be amended in such circumstances as may come about. The Government still have not told us about that.

All we know is that they would attempt to get greater democracy into the system. At some later stage, they could decide that we would have two hours instead of an hour and a half to debate an order, or three hours upstairs instead of two and a half, and they might trumpet that as being a great blow for democracy. The Minister needs to give us a clear indication of the nature and scope of his intention in relation to any change to make the process more democratic.

Lembit Öpik: Does the hon. Gentleman agree that the essential element that we are looking for is amendability?

Mr. Robinson: Absolutely—that is the very point that I am making. The House must be capable of amending an Order in Council. It is ludicrous that if one reads an Order in Council and notices a glaring, obvious mistake—one that every hon. Member might accept is an error—it still cannot be changed. There is no method to change it; the Government must withdraw it and come back at a later stage. It is right that the House should be able to amend that Order in Council. I hope that the Minister will confirm that that is his intention.

Mr. Nigel Dodds (Belfast, North) (DUP): Given the consensus that appears to have broken out on both sides of the House about the need to move quickly on the issue and to introduce changes quickly if the deadline for devolution is not met, does my hon. Friend agree that it would be a good idea now for the Government to enter into discussions with the parties in the House? Discussions are going on in Northern Ireland—some are more fruitful than others—but such a discussion would be extremely fruitful, so that the ideas that my hon. Friend is suggesting could be gone into in more detail.

Mr. Robinson: Yes, and in fact the Government already accept the principle that they should do so in this very Bill. The Bill is centrally designed by the Government to introduce proposals for the devolution of criminal justice and policing matters, which can only be devolved to an Assembly that does not exist, so the Government recognise the need to look ahead on these matters. They recognise that preparatory work needs to be done and that legislation needs to be passed.

If it is right, even before the change in legislation that will be necessary for an Assembly to exist in Northern Ireland, that the Minister should be looking ahead to policing and justice powers being devolved, I am sure that the same Minister would be very content to open up discussions on those matters in the circumstance that many of us do not want—devolution not occurring in Northern Ireland. Although devolution in Northern Ireland might be the Minister's priority, he should not close his eyes to the possibility that it might not happen. We want it to happen and the Minister knows the circumstances in which it can happen.

I am sure that the Minister was as disappointed as we were when he read the report of the Northern Ireland Affairs Committee that indicated the ongoing criminality that still exists not just with ordinary paramilitaries from the loyalist side and from the dissidents, but from those who, according to the Minister, are suitable to be in government. Of course, that information will militate against our getting devolution up and running. I hope that the Minister will look at the alternative.

There are always exceptions to the rule, but as a general rule I have always found in the House that the more consideration given to a Bill and the more scrutiny of legislation that goes on, the better the end product. If that is generally accepted as a rule, the Minister must introduce legislation to change the Order in Council procedure, so that we might get better legislation in Northern Ireland. I welcome the move that the Minister has made.

Mr. Laurence Robertson (Tewkesbury) (Con): With regard to amending Orders in Council, does the hon. Gentleman recall that a miscellaneous provisions order, which covered two completely different subjects, was considered just two or three weeks ago? Does that not demonstrate how very difficult it is to govern any part of the United Kingdom in that way?

Mr. Robinson: Over the 27 or 28 years that I have been a Member, I have seen the House pass some legislation in an hour and a half, sometimes at 1, 2 or 3 o'clock in the morning, with barely any Members present, except for Northern Ireland Members. That is no way to deal with legislation. Some of these orders, even though they have might have two different elements, can be very important to the lives of people in Northern Ireland. Our business should not be treated in that way and I trust that the Minister's undertaking, which I hope will be strengthened in his response, will soon be put in place if devolution does not occur in November.

Mr. Hanson: I thank hon. Members on both sides of the House for welcoming the proposals that the Government announced both in Committee and in another place last week and that I have confirmed to the whole House today. I am grateful to all hon. Members for their contributions. They are aware from the discussions that we have had on this matter that, as I have said previously, if we are unable to restore devolution by 24 November, we will quickly—I emphasise the word "quickly"—introduce measures to make direct rule more accountable, including the opportunity for an amendability stage in the parliamentary consideration of Northern Ireland Orders in Council. It is my intention—we can discuss this matter on the return of the House—to initiate discussions on those matters with the usual channels, to consider how we can examine the procedure in the event of devolution failing to occur on 24 November.

Again, I reconfirm to the House that I intend to focus my time and that of my officials on ensuring that we get the Assembly back for the 24 November deadline, because that is the key element where the decisions that we deal with by Order in Council should be made. I remind hon. Members that I have said that the Order in Council procedure is not satisfactory on every occasion that I have moved the motion on such an order during the 15 months that I have held my position. It is not a satisfactory way to proceed.

Kate Hoey: I appreciate what the Minister says about you the procedure not being satisfactory. Will you then explain why you used Order in Council procedures to push through an education order when the same Labour Members were being urged to go through the Lobby to keep selection in England three weeks earlier? You used the Order in Council procedure to put that education order through in two and a half hours.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Lady is experienced enough to know that she should not say "you", because that means me.

Mr. Hanson: The Government have taken this decision on policy issues relating to this matter, and a key point for my hon. Friend and all hon. Members is that although the Order in Council procedure was unsatisfactory, there was a debate and a vote on the education order upstairs in Committee. The Opposition prayed against the education order in Committee. There was a vote, of all Members who wished to participate in that vote, on the Floor of the House, and the Government were supported and the proposals were agreed to. So although the Order in Council procedure is unsatisfactory, there was even in that controversial case an ability for all Members, if they so wished, to vote on that matter in the House today.

3 pm

We have had a degree of consensus on the matters under discussion. It is not for me to break that consensus, but I wish simply to state that although I welcome the contribution of the hon. Member for Aylesbury (Mr. Lidington) who speaks for the official Opposition, after 10 years of a Labour Government we have brought forward proposals to amend the Order in Council, but in the previous 20 years of Conservative government—from 1972, and up until today—no changes were made. As I do not wish to break the consensus because that would add a sour note to the proceedings, I simply say to the hon. Gentleman that I thank him for his support for the measures and I commend the Government proposal to the House.

Lords amendment disagreed to.

Clause 12

EXTENSION OF CATEGORIES OF PERMISSIBLE DONORS

Lords amendment: No. 1.

Mr. Hanson: I beg to move, That this House disagrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this we may discuss Lords amendment No. 2. I call Mr. Peter Hain—or, rather, David Hanson.

Mr. Hanson: Thank you, Mr. Deputy Speaker. As somebody once said, "They all look alike after a while."

The impact of these amendments on Northern Ireland politics would be serious. They would remove clauses 12 and 13—the permissible donors clauses would be entirely removed, which would have the effect of barring Irish citizens and bodies from donating to parties and regulated donees in Northern Ireland from November 2007. The Government firmly believe that Northern Ireland parties and regulated donees should continue to be able to accept donations from Irish citizens and other Irish bodies who can currently donate to Irish parties—as well as accepting donations from those who can donate in the UK, of course—following the end of the "final disapplication period" in October 2007.

That policy is consistent with the Good Friday agreement. It reflects our belief that Irish citizens should be allowed to make such donations to take account of the special role Ireland—including the Republic of Ireland—has in relation to Northern Ireland's political culture. That would still represent a significant step forward from the current position in Northern Ireland, under which donations may come from anywhere and anyone in the world and there is no obligation on anybody or any party to disclose such donations.

Mr. Dodds: The Minister is trying to put a gloss on what is clearly a discriminatory provision, against Unionist parties and Unionist people in Northern Ireland in particular. How can the Minister justify a special provision that allows Irish citizens and organisations to donate to parties in Northern Ireland, when he knows full well that those donations will be completely one-sided and will have no benefit whatever for Unionist parties or the Unionist population? If the Good Friday agreement or the Belfast agreement is supposed to be about equality, this clearly flies in the face of equality.

Mr. Hanson: I genuinely say to the hon. Gentleman that I cannot estimate who or what or when or where any of the citizens of the Republic of Ireland might wish to donate in respect of parties in the north during any election. I expect that potentially there will be significant donations to the Social Democratic and Labour party and Sinn Fein and other parties, but it is perfectly possible that there are individuals who live in the Republic of Ireland who wish to donate to any party that represents individuals and stands for election in Northern Ireland elections for the Assembly or any other body.

John Bercow (Buckingham) (Con): I am extremely grateful to the Minister for giving way. May I simply put it to him that, in this context, if we were to speculate upon percentages and try to arrive at a view as to the proportion of any donations that would go to Unionist parties, there would be several noughts after the decimal point before a positive figure were reached?

Mr. Hanson: I am grateful for the hon. Gentleman's intervention, but it is not for me to determine the what, who, where and when of any donations to any parties from citizens of the Irish Republic or businesses that operate in the Irish Republic. It is for me to be consistent with the Good Friday agreement, which recognises that there is a significant step forward in these measures and that the potential for donations from citizens of the Republic of Ireland to political parties to the north is a part of that.

I know that concerns exist both in this House and in another place about how the permissible donors clauses would operate in practice—in particular, in relation to the conditions that Irish citizens and bodies who can donate in Ireland would have to meet in order to be able to donate to Northern Ireland parties, and how those donations would be checked and verified in the future by the Electoral Commission. I, and my noble Friend Lord Rooker in dealing with this in another place, have recognised those concerns and have sought to address them when they have been raised, both here and in another place. As I have explained to the House on a number of occasions, the detail of how the permissible donors clauses would work will be set out in UK secondary legislation, following consultation with the Electoral Commission—it is important that the commission has a key role in this matter. This detail, which would include the criteria on how we check individual Irish donors and Republic of Ireland companies that wish to donate to parties in the north, will then be specified by an order that will have to be laid before and approved by a resolution of each House of Parliament. The Lords and Members of this House would therefore have an opportunity fully and publicly to debate these issues further when an order was made.

Therefore, for a range of reasons I oppose Lords amendments Nos. 1 and 2 as they are not compatible with the Good Friday agreement to preclude Irish citizens and bodies from making political donations to Northern Ireland political parties or regulated donees.

I am conscious that this debate finishes at 3.25 pm, and I know that many Members wish to participate, but may I make one final point? Today is a day for retirements, and the Clerk of the House has recently retired. Today is also the final day that a Northern Ireland Minister has received advice from Jonathan Margetts. He is a member of the Northern Ireland Office staff, and he has been acting as head of parliamentary legislation and has been involved in that in the NIO since 1972, after working for the Home Office for nine years previously. If this is my last opportunity to speak in this debate, I wish him and his family every success in his retirement, and I thank him for his long service to 15 Secretaries of State for Northern Ireland during that time.

Mr. Laurence Robertson: I echo the Minister's words of congratulations to the retiring adviser. I do not wish to speak for long, as a number of other Members wish to contribute on this issue and there are two more amendments to consider in not many minutes.

The Minister referred to the fact that the Republic plays an important role in the politics of Northern Ireland. That is undoubtedly the case. When this Bill was before us a few weeks ago, we tabled an amendment suggesting a five-year limit to the continuation of donations from the Republic. One of our concerns was that it was having a disproportionate effect on the politics in Northern Ireland. We did not seek to end it immediately; we put in the five-year limit to allow parties to re-establish. Our concern was not entirely to do with the amount of money or the sources of the money from the Republic. We were also concerned about money coming from America, because there is no doubt that in the past, not only has the Republic had a role in the politics of Northern Ireland, but NORAID—for example—has played an unfortunate role, too. We discussed that matter at great length at that time and I do not intend to speak any longer now, but I wish to hear what is about to be said by Members of Northern Ireland parties.

Lembit Öpik: The Minister will see how strongly Liberal Democrats feel about this matter by the increasing number of Members on our Benches to listen to this debate. *[Interruption.]* Yes, and perhaps to listen to me as well. Those Members include my hon. Friends the Members for Teignbridge (Richard Younger-Ross), for Edinburgh, West (John Barrett), for Cambridge (David Howarth), for Colchester (Bob Russell)—and even my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis) has come into the Chamber to lend his support to my words this afternoon.

Throughout our discussions on the Bill in this House and another place, we have been at pains to stress to the Government that we do not object in principle to the proposed extension, but we are concerned about how it will work in practice. We have raised some specific and—dare I say it?—reasonable questions about the proposed scheme, but what has been frustrating is that Ministers, particularly in another place, have been unable to give any coherent responses. We have either been greeted with silence or with answers so vague that they simply raise suspicions that we were being sold a pup.

I am glad to see that the Minister is effectively trying to fill in the blanks and to provide some clarity in the fog of confusion that hung over these clauses until now. We understand that the additional categories of donors would have to meet prescribed conditions, which would be set out in an order once consultation had taken place with the Electoral Commission. However, even now, we have not really been given an indication of what such conditions might be. It is not enough to expect Parliament to agree to such a huge change in the arrangements for donations to political parties, given that we know so few details about how those arrangements are to work.

Mr. Hanson: Perhaps I can help the hon. Gentleman. For example, someone who is an Irish citizen would have to produce his passport for verification as a potential donor, and companies would have to be registered in the Republic of Ireland in order to make donations. That is the sort of issue that we are discussing with the Electoral Commission and, hopefully, we can tighten up the situation and thereby address the hon. Gentleman's concerns.

Lembit Öpik: The Minister's response is helpful. Perhaps he could put on the record, by way of a further intervention, a specific commitment that before any such legislation is implemented there will be full consultation not just with the Electoral Commission, but with anyone and any organisations that have an interest in this matter, so that they can make specific representations to the Government and to Ministers as the legislation progresses. Can the Minister give us that assurance right now?

Mr. Hanson: As I have said, this matter will be subject to an order, which will be debated in this House and published accordingly. I am very happy to receive representations on it, as is the normal practice. Potentially, it could be an Order in Council dealt with post-24 November, and would qualify for discussion on the ground that we debated earlier today.

Lembit Öpik: I am pleased in two ways with that response. First, the Minister suggests that this could be the first of the amendable Orders in Council. That is important, because it gives us something of a time frame for the matters that we have just discussed. Secondly, I am encouraged to hear that he would be willing to accept formal representations on these matters. Let me underline the importance of the

[Lembit Öpik]

Minister's response—we now begin to get a time frame for when the Government must make the amendability proposals, which is encouraging.

It is important to be assured that the Government are thinking about these conditions. The Minister gave us two examples, which is helpful. We need a coherent strategy that ensures that the loopholes are dealt with. It would also be useful to know over time what avenues of communication will be set up between political parties in the north of Ireland, the Electoral Commission and the agencies in the south of Ireland, so that sufficient checks can be made.

Our donation system is at least sometimes fairly open and transparent, but this is new territory for the United Kingdom, in the sense of working across a national boundary. It would be unreasonable to expect the Northern Ireland Office to operate solely as a single agency to set these precedents. I hope that silo thinking will not prevent a strategic approach from being taken.

In essence, we simply want to be sure that the Minister will expect a political party in Northern Ireland to take specific steps in order to satisfy itself that a donation was from someone who is genuinely an Irish citizen. On the basis that the Minister has given some useful examples by way of interventions, and an assurance that this legislation, if it comes forward through an Order in Council, will be amendable, we are happy to support it today.

Mr. Hanson: I should confirm to the hon. Gentleman that the likely avenue is affirmative resolution in the House, rather than an Order in Council, although the latter is possible.

Lembit Öpik: I am grateful to the Minister for that intervention and I understand why he wants to make that point clear; nevertheless, I still feel that we are beginning to see a timetable for amendable Orders in Council, which must be roughly the same timetable as the one for this legislation. That is helpful.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): I rise to oppose the Lords amendments, which would narrow the list of political donors, restrict funding and strangle parties such as my own. In the light of an earlier question, it is important to point out that we are not talking only about parties such as the Social, Democratic and Labour party. Unionist parties derive a small but nevertheless significant amount of money from across the border with the Irish Republic.

A law that outlaws the raising of funds for Northern Ireland parties on the island of Ireland as a whole is a bad, ineffective and unworkable law. Moreover, it runs against the grain of relationships within these islands between Britain and the Irish Republic that have improved so much in the past 25 or 30 years. It not only makes no sense for legitimate parties in Northern Ireland to be banned from raising legitimate funds anywhere else in the island of Ireland; it also undermines democracy and the existing support for it.

My party survives financially because of good people south of the border. We derive a lot of our funding from within the north, which we require in order to help out. I am glad to note from recent records that our party is now in the black for the first time in a long time, thanks, in part, to donations. I regret that other parties are in some difficulty, but, if they sought a little help from across the border in the Irish Republic, they could perhaps bring themselves into the black.

3.15 pm

The issue is not only large-scale fundraising. The ridiculous nature of this law is particularly apparent along the border. Our small branches and associations in places such as Derry hold an event of some sort, yet Muff is 2 or 3 miles down the road. Ballyshannon is 2 or 3 miles down the road from Belleek in Fermanagh. It is just not humanly possible to implement this law. It is like introducing a law that says that Labour associations on the English border with Scotland are not allowed to make such requests of people across the border. The same point applies to Conservative or Liberal Democrat associations. That is the significance of this measure at local level. *[Interruption.]* Does someone wish to intervene? *[Interruption.]* There is so much muttering going on that I would rather give way.

Sammy Wilson (East Antrim) (DUP): The hon. Gentleman is well aware from what was said in the Northern Ireland Affairs Committee of the dangers and difficulties associated with money laundering and the amount of money sloshing around the Irish Republic. Will he tell me, in the course of his self-serving speech, how, in his view, if this provision goes through, it will be impossible to launder money for Sinn Fein from south of the border into their coffers in Northern Ireland?

Dr. McDonnell: Unfortunately, Sinn Fein will manage to launder money whatever we do in this House. Indeed, it is aided and abetted by the shennanigens of the Democratic Unionist party at every turn. The reality is that we have to bring back devolution to Northern Ireland. There is a competition on at the moment between the DUP and Sinn Fein to see who can be disruptive and who can be the greatest wreckers. Frankly, primarily this is about regulating and creating transparency. My party, the SDLP, is legal and believes in the rule of law, legitimacy and openness. We believe that, rather than creating bad laws that are porous and dysfunctional, we should create good ones that are inclusive. The Lords amendment makes this a bad law that will not work, and in my view it should be rejected. We should continue to try to make laws that are as comprehensive, open and transparent as possible.

Mr. Peter Robinson: I see that the Minister is starting to tidy his papers—he is already thinking of his holidays. Indeed, he probably has his swimming trunks on under his suit, ready to go—*[Laughter.]* I suggest that when he is on the beach he should not bury his head in the sand in the same way as he has in the Chamber today. He had a credulous gape on his face when it was suggested that there might be a minuscule amount going to Unionist parties as opposed to the amount going to nationalist parties, which indicates that either he is hiding the real intent of his measure or he is completely out of touch with the politics of Northern Ireland.

I suspect that it is the former. The reality is that the Minister is doing this for one party—the Labour party's sister party, the SDLP. The hon. Member for Belfast, South (Dr. McDonnell) is right. Sinn Fein does not need this measure. It can just use the Northern Bank proceeds or the proceeds from all its other gangsterism and other illicit means. The hon. Gentleman admits that Sinn Fein is still involved in criminality, but he wants us to go into government with it. Clearly, it is a measure designed principally to help the SDLP. It is therefore a discriminatory measure. It will discriminate against Unionists and in favour of the SDLP.

Dr. McDonnell *rose—*

Mr. Robinson: I will give the hon. Gentleman another go.

Dr. McDonnell: I did not go to Clontibret. I did not have my fine paid for me in punts. My name is not Peter Punt.

Mr. Deputy Speaker: Order. Neither did I.

Mr. Robinson: It shows how the hon. Gentleman's mind works when he makes an intervention on an irrelevant issue that has nothing to do with the funding of political parties. It shows that he is attempting to cover up the fact that it is the SDLP, and the SDLP alone, that is the reason the Government are introducing this measure.

Why was there a prohibition placed on parties elsewhere in the United Kingdom? It was because those who were resident in and citizens of countries outside the United Kingdom should not be allowed to influence the politics of the United Kingdom. But the Government are providing for precisely that in Northern Ireland, where they will allow people from another jurisdiction to have a direct influence on the politics of Northern Ireland. The Minister is saying that the principle is good generally for the United Kingdom, but that the Government are prepared to throw their principles out to make the politics of Northern Ireland go in the direction that they want.

I oppose this change by the Government and support the suggestion made by the House of Lords for the way forward. We intend to force the issue to a Division.

Mr. Hanson: I am grateful for hon. Members' contributions. I am sorry that we have such a full House to hear the different tone—in terms of the context of the debate—of the contribution by the hon. Member for Belfast, East (Mr. Robinson). This Bill is about the special circumstances of Northern Ireland and relationships with the Irish Republic and individuals who live and work there. It is consistent with the Good Friday agreement to allow citizens of and businesses in the Irish Republic to donate to political parties that operate in Northern Ireland. It is fair and proper, and an acceptable proposal for the Government to support. I commend the motion to the House.

Question put, That this House disagrees with the Lords in the said amendment:—

The House divided: Ayes 260, Noes 16.

Division No. 295] **[3.23 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr. Bob
Anderson, Mr. David
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brown, Lyn
Browne, rh Des
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clegg, Mr. Nick
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael
(Worcester)
Foster, Michael Jabez
(Hastings and Rye)
Francis, Dr. Hywel
Gapes, Mike
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hope, Phil
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keetch, Mr. Paul
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Laxton, Mr. Bob
Lepper, David
Levitt, Tom

Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
MacDougall, Mr. John
MacNeil, Mr. Angus
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McFadden, Mr. Pat
McFall, rh John
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Salmond, Mr. Alex
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Speller, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Taylor, Ms Dari
Taylor, David
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Todd, Mr. Mark
Touhig, rh Mr. Don
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Willis, Mr. Phil
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Wright, Mr. Anthony
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Kevin Brennan and Huw Irranca-Davies

NOES

Amess, Mr. David
Bercow, John
Campbell, Mr. Gregory
Davies, Philip
Dodds, Mr. Nigel
Evans, Mr. Nigel
Hoey, Kate
Hogg, rh Mr. Douglas
Luff, Peter
Paisley, rh Rev. Ian
Penning, Mike
Robinson, Mr. Peter
Spink, Bob
Taylor, Dr. Richard
Wilshire, Mr. David
Wilson, Sammy

Tellers for the Noes:
David Simpson and Mrs. Iris Robinson

Question accordingly agreed to.

It being one hour after the commencement of proceedings, Mr. Deputy Speaker *forthwith put the remaining Questions required to be put at that hour, pursuant to Order [this day].*

Lords amendment No. 2 disagreed to.

Lords amendments Nos. 4 to 6 agreed to.

Committee appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments Nos. 3, 1 and 2: Mr. Michael Foster, Mr. David Hanson, Lembit Öpik, Mr. Laurence Robertson and Lynda Waltho to be members of the Committee; Mr. David Hanson to be the Chairman of the Committee; Three to be the Quorum of the Committee.—*[Liz Blackman.]*

To withdraw immediately.

Reasons for disagreeing to Lords amendments Nos. 3, 1 and 2 reported, and agreed to; to be communicated to the Lords.

Adjournment (Summer Recess)

Motion made, and Question proposed, That this House do now adjourn.—*[Liz Blackman.]*

3.40 pm

Keith Vaz (Leicester, East) (Lab): I am delighted to participate in this debate, although I am sure that it will not be as exciting as the previous debate and the comments from both sides of the House. I want to raise two local issues and one international issue relating to Lebanon.

On the local front, I am concerned about the latest plans of the Leicestershire health trust for the downgrading of the pathway project. Two years ago, the University of Leicestershire health trust decided to rebuild our three hospitals in Leicester—the Leicester general hospital, the Leicester royal infirmary and Glenfield hospital. They were to be completely rebuilt at a cost of about £761 million. A few weeks ago, we were told in Leicester that because of the cuts that had been decided on, the project would be downsized to a cost of approximately £500 million. The result is that Leicester general hospital, which is in my constituency, will not be rebuilt.

Obviously, we are delighted that one of the Leicester MPs is my right hon. Friend the Secretary of State for Health. Although she cannot intervene on local matters, because she is in charge of our hospitals all over the country, the fact that she is a Leicester MP makes her more aware of the issues that concern people in the city.

My plea is that the local health authority understand that downsizing the project, and thereby not rebuilding Leicester general hospital, will cause enormous difficulties in the future. Instead of a rebuild, we have been promised a refurbishment and the use of modular buildings. My right hon. Friend the Secretary of State, my hon. Friend the Member for Leicester, South (Sir Peter Soulsby) and I went to look at a modular building. Such buildings have a life span of only 25 years, and although they would be newer than other parts of the hospital, they would have to be dismantled at the end of that period and a new extension constructed.

In a 21st-century health service, it is vital that we have the buildings to support its services. I agree with the fundamental principle that services matter and it is important that local people have access to excellent health care, but if they do not have buildings in which to provide it, they will suffer in the long run.

The second issue concerns my constituent, Malde Modwadia, who many years ago was falsely accused and convicted of theft. The conviction was quashed and under section 133(4) of the Criminal Justice Act he applied for an assessment in respect of loss of income and the compensation due to him for false arrest and conviction. I have had much correspondence with at least five Home Office Ministers requesting a meeting to discuss the principle of the case.

Clearly, the situation affects Dr. Modwadia, his career, his reputation and the livelihood of his family, and it is important that others in a similar position—who are falsely accused and convicted and whose convictions are quashed on appeal—should have the proper level of compensation.

With the current system, under section 133(4) of the Criminal Justice Act, it is not possible to appeal against the decision of the assessor. In this case, the assessor was Lord Brennan, a member of the other place and a distinguished lawyer who clearly understands the way in which the legal system operates. However, despite the eminence of Lord Brennan, the fact remains that if an assessment is wrong—according to Dr. Modwadia, his assessment does not take into consideration his loss of earnings over the past 20 years; he was a qualified doctor and by now he would have been a very senior consultant in a hospital in the United Kingdom—it is extremely important that somebody else should have the opportunity to look at that assessment. Under the current law, no one can do so. I had a private Member's Bill—a behind-the-Chair Bill—before the House, which has now fallen. It is extremely important to ensure that Ministers are aware of the gap in the law, in relation not just to Dr. Modwadia but to other people in similar situations, and that we have a right of appeal against an assessment that has already been made.

My final point is about Lebanon and a call that I received yesterday from a person who operates a glass-making factory on the road between Beirut and Damascus. Two days ago, he evacuated his employees from the factory, because he feared that bombs might fall on it. The day before yesterday, four Israeli missiles hit the factory and razed it to the ground. There is absolutely nothing left. His concern—and the concern, I am sure, of others involved in similar cases—is what will happen about compensation for British citizens who have property in Lebanon. I rang the Lebanese ambassador, who was not available. I then had a lengthy conversation—it was a bit heated—with the deputy ambassador for Israel. He explained why Israel was doing what it was doing. I have enormous sympathy with the comments made recently by the Minister for the Middle East; I agree with everything that he said about the disproportionate nature of the Israeli attacks—but I put that to one side. My concern is what happens to British citizens whose property is being destroyed.

Clearly the Foreign Office is fully engaged in the cases of those who are trying to get out of Lebanon, and I pay tribute to Ministers and officials, who have moved extremely fast to make sure that as many British citizens as possible are removed and brought to the safety of other countries. However, the worry for my constituent and others is that they have nowhere to register their loss of property. Obviously, the people who worked in the factory no longer have jobs, because the factory is no longer there. We cannot register that with the Israeli authorities, because they have no mechanism for doing so. I hope that, in his summing up, the Minister will be able to give some indication to the House of what should happen to those who are in such a situation. I look forward to hearing his full response to the three issues that I have raised.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. I should have reminded the House that there is an eight-minute time limit on all Back-Bench speeches. However, it is quite clear that the right hon. Gentleman was already aware of that.

3.48 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): Unlike my colleagues on the other Front Benches, I will not be able to respond to the debate, because I will have the pleasure of listening to it after I have spoken. I want to speak on three issues and, like others, to address constituents' concerns; then I look forward to listening to the contributions of others. The three issues concern the licensing laws and how they are being implemented, planning policy guidance and how it applies to and impacts on my constituents, and finally, funding for the voluntary sector in the provision of health care services and the relationship with the NHS.

I shall first deal with the temporary event notice, a mechanism that allows for the temporary licensing of premises. It was introduced in November 2005 under the Licensing Act 2003. Recently a number of my constituents contacted me after a local pub, the Angel in Angel Hill, started playing music in its garden into the early hours of the morning. Residents who had made representations to the local licensing authority to ensure that the pub's licence restricted the playing of music outside at certain times were, not surprisingly, rather put out by the fact that it seemed that licence conditions were being broken.

After further inquiries were made of the pub, the local council and the police, my constituents were told that the pub was operating under a temporary event notice, and that none of the normal conditions of the pub's licence applied. The approach taken under the Act is referred to as "light touch", and the question is how that applies to personal licence holders. At the moment, they simply apply for a temporary event notice and make the council and police aware that they are doing so. There are no grounds for refusal by the council, and there is no mechanism for consultation with local people. In effect, it is a process of rubber-stamping. Today I want to focus on the administrative arrangements for that.

The Government justify that light-touch approach with what they think are highly restrictive conditions applied to the use of TENs. The notices can take effect for only 96 hours at a time, and can be issued only 12 times in a calendar year for any one premises. The consultation undertaken by the Department stated that such notices were intended to apply primarily to representatives of schools or church groups. The TENs were a way of lightening the administrative load on them so that there was not so much paperwork. The problem is that that cosy picture does not really tally with my constituents' experiences. The reality is that the notices are being used by pubs to avoid the conditions of their licenses. Figures from my local authority, the London borough of Sutton, show that nearly 25 per cent. of notices issued between November 2005 and June 2006 were issued to pubs, so the Angel is no isolated case.

The simple fact is that the temporary event notice mechanism creates a loophole in the licensing laws that smart licensees use to get round the conditions imposed on them after public consultation. I do not blame the pub or its landlord for using the loophole; I blame the Government for not foreseeing that get-out clause in the new regime. As a result, for up to 48 days a year the licensing laws and the conditions set under them can be set aside and ignored. That is not light-touch licensing but soft-touch licensing, and action is required before the recess.

I have spoken in this House about the problem of predatory developers who apply to build housing on back garden land. Residents in my constituency are running a campaign to protect back garden land from such developers and are asking the Government to change their advice in planning policy guidance. I strongly support that campaign. Current advice under PPG3 designates back garden lands, which is the

"area of land attached to a building",

as previously developed land. If the back gardens in my constituency and many others like it are designated brownfield land, it becomes ripe for development.

Crucially, that designation fails to take account of factors such as the biodiversity offered by back gardens. A study undertaken by scientists at the university of Sheffield states that urban gardens are a significant source of biodiversity. In fact, their study found that in our gardens there are nearly as many plant species as the total number of native species of flora of the British Isles—that is not just plant species imported from elsewhere, but genuinely native plant species. Back gardens are an important lifeline for the diversity of our ecology.

There is also the issue of the security of back garden land, and developers breaking into it and putting up flats undoubtedly undermines that. In my borough, between 1994 and 2004, an average of 46 new dwellings per hectare were built. That has significantly increased the number and density of homes in my constituency, and put pressure on local infrastructure. At a time when Sutton and East Surrey Water has obtained a drought order, the impact of all that increased development on water supplies cannot be overestimated.

That is only one of a catalogue of problems caused by such overdevelopment. There are more cars on the road, more people trying to use local schools and health services, and a gradual decline in the architectural heritage of the area. Those are all problems springing directly from the designation of back gardens as brownfield sites. A planning system that fails to strike a proper balance between conservation and change is not fit for purpose. As a result, it is losing public support in my constituency.

However, help is at hand, in the form of the private Member's Bill tabled by my hon. Friend the Member for Solihull (Lorely Burt), the Local Government and Planning (Parkland and Windfall Development) Bill, of which I am a sponsor. I hope that the Government will still find time in this Session to provide the protection that the Bill would give to back garden land by returning the designation to what it should be—not brownfield but greenfield land.

My final contribution to the debate is about my concern for one of the valuable and well-regarded voluntary organisations in my constituency, which is losing some much needed funding. For four and a half years Age Concern in Sutton has run a hospital discharge scheme to support those leaving hospital. The scheme is aimed at people returning from hospital who are judged not to require personal care, and who are therefore not covered by social services care packages.

The principal issue is eligibility, and how different authorities draw up eligibility criteria. The scheme co-ordinators visit the home of an individual leaving hospital to assess any financial, nutritional or safety needs, and take steps to ensure that those are met. Volunteers from the scheme then make weekly visits to the home of the discharged patients, helping with shopping, financial affairs and cleaning. Without this service, those people would have no support once they had left their hospital beds.

Until recently the scheme was funded by a pooled arrangement between the Sutton and Merton Primary Care Trust, the London borough of Sutton social services department, and the Epsom and St. Helier University Hospitals NHS Trust. However, earlier this year—I think this is driven by financial pressures—the Epsom and St. Helier NHS Trust began to question the value of the scheme, despite the clear support of patients who had benefited directly from it and health care professionals working for the trust.

Sarah Teather (Brent, East) (LD): Does my hon. Friend agree that some of the pressure on primary care trusts to fund only core NHS matters, so as to meet financial targets, often runs counter to the Government's objective of linking health and social care? For example, in Brent the PCT has had to cut the money provided to Brent citizens advice bureau, which provides an outreach service at GPs' surgeries to try to prevent extended consultations there, and it is also cutting grants to organisations funding carers' activity, which may be counterproductive in terms of the long-term aims, and not cost-effective.

Mr. Burstow: My hon. Friend makes an important point, which many hon. Members in the Chamber today will probably want to make, about the impact of budgetary pressures in the NHS leading to false economies and short-sighted decisions that result in a reduction in services, which will store up further costs for the NHS and lead to poor services being experienced by many of our constituents.

John Bercow (Buckingham) (Con): The hon. Gentleman anticipates a phenomenon that is likely to display itself in the course of the debate. Is he aware—he certainly will be when I have finished my intervention—that the Vale of Aylesbury primary care trust is, disgracefully, saying that it is closed to new entrants if they are children with speech and language disorders? Is this not a classic case of a conflict between the Government insisting on the merits of early intervention, and the cost cutters preparing to damage, perhaps irrevocably, the life chances of vulnerable children, in the name of penny-pinching?

Mr. Burstow: I am grateful for the hon. Gentleman's intervention and I look forward to hearing him expound on those points in greater detail if he catches the Deputy Speaker's eye. I hope that my hon. Friend the Member for Brent, East (Sarah Teather), too, will have the opportunity to detail the consequences for constituents of the difficult financial circumstances that many NHS organisations are grappling with.

My point is about a voluntary organisation that is doing extremely good work, but which has been notified that its funding will be withdrawn in the course of this year. Without that organisation in place, hundreds of vulnerable people will leave hospital with no support, which will in turn increase pressure on hospital beds, because those people will not be able to leave hospital as promptly as the NHS increasingly wishes them to.

There will also be an increase in emergency readmissions as a direct consequence. People who have been inappropriately and too hastily discharged will end up having to go back into hospital because their home was unsafe or ill suited, or because they were unable to get out to get the necessary food to provide themselves with a decent meal during their recovery and convalescence. All those matters will increase the direct cost to the NHS, which is why that decision by the local NHS is a false economy. It is a short-sighted approach, and it will lead to long-term costs and consequences.

Adjournment debates such as this are an opportunity for all hon. Members to bring their constituents' concerns to the House. Those are just three of mine, although I have many others that I would have welcomed the opportunity to air today. I end simply by wishing you, Mr. Deputy Speaker, and all hon. Members a good summer recess, and I look forward to listening to the rest of the debate.

4 pm

Mr. Mike Hall (Weaver Vale) (Lab): In the time allotted I hope to raise four issues that are constituency based but have implications for national legislation.

The first case is tragic. In the last two years, two baby girls living in adjoining properties in my constituency have died of acute myeloid leukaemia. We have tried to understand the epidemiology of that cancer, which is rare in young girls, and it has been established that the houses in which they lived were built on a landfill site. There is clear evidence that methane has seeped out from that site and there may also have been traces of benzene, which is a very dangerous chemical.

I suggested to the Office of the Deputy Prime Minister that it would be a good idea for tenants considering properties that have been built on landfill sites, reclaimed land or brownfield sites, to be told the history of the land so that they can make an informed choice about whether to take on the tenancies. So far the Government have declined to take that up, but I want to press the Minister on it today, because it is a good suggestion, which would allow prospective tenants the opportunity to make decisions about where they live in the knowledge of the conditions in which their properties have been built. If my hon. Friend the Minister cannot deal with that matter when he replies, I should be grateful if he passed it on to the appropriate Department.

The second issue that I want to raise concerns wheel clamping. Last year, a constituent of mine in Northwich had his vehicle clamped, he thought illegally. The Private Security Industry Act 2001 placed regulatory controls over wheel clamping companies and the Security Industry Authority implements the regulations. I was advised that for a vehicle to be legally clamped, the owner had to be issued with a receipt bearing the name and signature of the operative, the date and location of the clamping episode, and the registration number of the person doing the clamping. If the receipt does not contain the registration number of a clamping operative, the clamping is illegal and the owner of the vehicle can insist on the clamp being removed.

[Mr. Mike Hall]

I was able to prove to the SIA that the receipt that my constituent received did not bear the location, the clamper's name or the operative's number. I asked for that to be investigated and the SIA said that it would do so, but would not be able to tell me the outcome. When I queried that, it said that to do so would prejudice its investigation. So I asked it to carry out its investigation and tell me what it had done afterwards. It then wrote back and said that it did not deal with individual complaints. I then asked whether the receipt was valid, and after an extensive correspondence I was able to confirm that the receipt was invalid. But the SIA does not have the authority to intervene in individual cases, such as that of my constituent. Individuals need to know what is legal when a vehicle is clamped and whom to complain to if they think that that has been done illegally by an unregistered clamping organisation, such as North West Clamping, the company in this case.

The third issue that I raise is another serious matter. On 21 December 1994, a constituent of mine, Stephen Cuddy, was murdered in Liverpool city centre by a man who was seriously mentally ill. That person went to prison for manslaughter. On behalf of my constituent Mrs. Cuddy, the mother of the deceased, I have been trying to establish what happened to the person who killed her son. I have established that the man who killed her son was remanded at Kettering magistrates court to Woodhill prison. He appeared in the magistrates court on a number of other occasions, but was released on 21 November 1994. I am trying to establish why that individual appeared in court and what conditions were placed on his release. The clerk to Northamptonshire magistrates courts has told me that I need the authority of either a justice of the peace or the Lord Chancellor to look at the court register, and it must also be established whether I am a fit and proper person to apply for that information.

The most important test on the release of information is whether it relates to an ongoing case. However, I am not discussing an ongoing case, because the manslaughter of Mr. Cuddy has been dealt with by the courts. It is important that Members of Parliament and members of the general public have access to such information, because it is on the public record and was in the public domain when that person appeared in the magistrates court in 1994. I find it inconceivable that anyone would refuse a request from a Member of Parliament to obtain such information. Through the auspices of my hon. Friend the Deputy Leader of the House, I want to press the Lord Chancellor, because if the rules prevent hon. Members from accessing court records on matters that have been dealt with in open court, then they need to be changed.

Fourthly, on a much more positive note, my constituency contains Daresbury laboratory, which is currently devising a new piece of experimental kit. That is probably an understatement, because the laboratory is a world-leading research facility, which will take on the next generation of synchrotron radiation research. The massive piece of kit, which is only a prototype, accelerates electrons as close as possible to the speed of light, and the electrons are then peeled off in straight lines to X-ray materials in real time. That is the lay person's view, although I think that the matter is far more complicated than that. The prototype has been built at Daresbury, and we are looking forward to a decision stating that the project is desirable because it will take British science forward, that the money will be made available and that the project will take place at Daresbury laboratory. My hon. Friends the Members for Warrington, South (Helen Southworth), for Ellesmere Port and Neston (Andrew Miller) and for Halton (Derek Twigg) and I have met Lord Sainsbury to press the case. We hope that this time the decision recognises the world-leading facilities and research at Daresbury laboratory, which is valuable in terms of not only pure science, but intellectual property, patents and other associated matters.

I want to use the final 40 seconds of my speech to pay tribute to my close personal friend, Kevin Hughes, who died last week from motor neurone disease and who was the former hon. Member for Doncaster, North. He was a fabulous friend and great company. He was also an extremely good Whip and had a very good sense of humour, which he kept until the end. When I saw him recently, I said, "Kevin, I see that you are still smoking." He said, "Mike, lung cancer would be a blessing." We will miss him greatly—his funeral is tomorrow. I am pleased that I have been able to put my tribute in *Hansard* to Kevin Hughes, who was a thoroughly decent guy.

4.8 pm

David Maclean (Penrith and The Border) (Con): Before we rise for the summer recess, I want to say a few words about the ongoing situation in Cumbria.

I want to discuss the dire plight of dairy farmers not only in Cumbria, but across the United Kingdom. In July 2005, a report commissioned by the Department for Environment, Food and Rural Affairs showed not only that more dairy farms ceased production between April 2003 and April 2005 than had intended to do so in 2003—the increase was 12.4 per cent.—but that the closures were concentrated among the larger herds and the bigger, more profitable dairy farms. If the most efficient dairy farmers are quitting the business in droves, it shows that things are not right in the dairy industry. More than 10 dairy farms have gone out of business in every week in the past two years. There are now more DEFRA staff than there are dairy farms in England, although DEFRA has still been unable to get the single farm payment out in anything like a respectable time.

This is my key point to the Deputy Leader of the House, who used to be the Minister with responsibility for consumer affairs. If all our farmers were to get together—they cannot do this, because they are philosophically incapable of working together—and said, "Let's sell our milk at 20p a litre", the Office of Fair Trading would crucify them. When I checked the internet last week, however, Asda was selling milk at 55p a litre, Sainsbury's was, by coincidence, selling milk at 55p a litre, Tesco was selling milk at 55p a litre and Marks and Spencer was selling milk at 55p a litre. That is a cartel. For the OFT to say that there is no evidence of collusion is simplistic. Of course they do not need to collude—one cuts the price, the others look on the website and they all follow. It is a cartel, it is ruthless, it is grubby, and it needs to be stopped. Farmers are selling milk at 14p a litre or, if they are lucky, 15p, 16p or 17p a litre. Someone in the middle is making a huge profit. The Environment, Food and Rural Affairs Committee discovered that 18p a litre is going missing somewhere. It has to be looked at and it has to change.

Our economic situation in Cumbria is not good, and I make no apologies for returning to that subject. Economic growth in Cumbria is the slowest of any area in the UK and, indeed, in the whole EU. In those circumstances, we must have EU funding coupled with designation as an assisted area for regional aid purposes. The economy in Cumbria is now as dire as Liverpool's was when the Government brought in massive intervention to help that city, and rightly so. The Government recently issued a consultation on the content of the national strategic reference framework. I understand that that document will set the priorities of financial allocation for the 2007-2013 structural funds programme. It is vital that it pay proper attention to the needs of areas with low and declining GVA—gross value added—such as Cumbria. It is also vital that when the final draft is published Cumbria should receive a dedicated top slice of the national allocation of regional competitiveness funds. That would not be a precedent for any other county or region of the United Kingdom because no other part of the UK, from the highlands of Scotland to Cornwall to Liverpool, is in as dire a situation as Cumbria.

I hope that the Government can find some sort of special programme for areas such as Cumbria or an increased regional allocation designed to offset the impact of economic decline in such areas. At the same time, we need assisted area designation to allow us to use public funds to invest in the private enterprise that is so vital. I understand that a national consultation is under way on assisted areas, and I say again that the designation must take into account those parts of the UK with low and declining GVA. No other part of the whole of the UK is as poorly off in terms of GVA as we are in Cumbria; in fact, only five other areas in the whole of Europe are as poorly off. We have great economic need that must be targeted. Unless we get that assistance, it will be impossible to arrest the decline in the Cumbrian economy even if our nuclear industry at Sellafield is boosted rather than run down.

Two weeks ago, I got together with all the Conservative group leaders of councils in Cumbria, those that we control and those that we do not. We issued a statement saying that we, as the Conservative representatives for Cumbria, commend Sellafield as a centre for excellence and research and believe that in order to sustain our economy, support local businesses and preserve local employment, we need a new generation of nuclear power stations and cannot allow the reprocessing facility at Sellafield to be decommissioned. We called on the Government to invest in Sellafield and Cumbria's economy to dispose of all nuclear waste instead of exporting our waste to be processed abroad, which would export local jobs. We said that we are pleased that in 2004 3.1 per cent. of the UK's electricity supply came from renewable energy, but noted that the Government are highly unlikely to meet their target of 10 per cent. of electricity produced from renewables by 2010. We said that while we believe that renewable energy has an important part to play in our future energy mix, especially biofuels, of which we should produce a lot more, renewable energy will not be able to meet our energy needs for the foreseeable future. We concluded by saying that in the interests of the people of Cumbria and of England, we call on the Government fully to support nuclear power to ensure that more investment of all kinds is directed to Cumbria.

Let me say a few words about the continuing saga of our community hospitals. The whole thrust of the recent White Paper, "Our Health, Our Care, Our Say: a new direction for community services", is to shift care more into community settings and to boost the role of community hospitals. The Government say that £750 million will be available for capital expenditure to develop care in the community. I want specific assurances on the community hospitals that we already have in Cumbria. In particular, I want assurances on some aspects of paragraph 6 of the White Paper. Do the Government accept that there are now no circumstances in which any of our community hospitals should lose their intermediate care beds? In paragraph 6.31 of the White Paper, the Government express the wish that

> "we want there to be an overall shift of resources from hospitals to care in the community settings."

What will they do to carry it out? What will they do to compel all the hospital trusts to follow the White Paper demands that

> "we should see spending on primary and community care begin to grow faster than spending on acute hospitals"?

Paragraphs 6.38 and 6.39 of the White Paper state among other things that

> "we will over the next five years develop a new generation of modern NHS community hospitals".

Paragraph 6.39 sets out the facilities that they should have. Do the Government accept that, in Cumbria, we already have community hospitals, which have 80 to 90 per cent. of what the Government want, according to the White Paper? All the Government have to do is give the community hospitals the funding to continue to meet their day-to-day running costs. Those facilities should not be downgraded because their running costs are not fully met. Without that assurance from the Government, the next paragraph is worthless.

Paragraph 6.42 states:

> "However we are clear that community facilities should not be lost in response to short term budgetary pressures that are not related to the viability of the community facility itself".

My concern about the plan is that the Government have £750 million and that they will spend it on new hospitals in the cities. The rural areas have the hospitals but we will not get money to run them. I hope that the Parliamentary Secretary can reassure me that that is not the case.

4.15 pm

Joan Ruddock (Lewisham, Deptford) (Lab): Tempted though I am to try to counter the arguments of the right hon. Member for Penrith and The Border (David Maclean) about nuclear energy, I want to consider another matter.

Last Friday, *The Independent* printed one of its iconic front pages. On the left were the flags of 189 countries that supported the United Nations call for a ceasefire in the middle east and on the right was a large white space with only three dots of colour—Israel, the United States of America and the United Kingdom.

[Joan Ruddock]

That is not where I want my country to be—isolated, tied to a US Administration run by neocons and headed by a religious zealot.

I have no quarrel with the American or Israeli people but I do not share their leaders' views of the world and I know that my constituents do not, as they frequently tell me. We must have a good working relationship with the US, as other European countries do. However, it is time to acknowledge the contradictions between fulfilling our wider international goals and responsibilities and trying to stay on side with George Bush.

In so many ways, the Government have been a beacon of progressive thinking. We have a proud record in peacekeeping and democracy-building. We have been generous in response to disasters. We have worked hard to make the World Bank more accountable and we have done much to bring about reform of the United Nations. We have led the world on climate change, debt relief and poverty alleviation. We even pushed the EU into adopting better terms for the development round of the World Trade Organisation talks.

All those and more are great British initiatives—British policies of which we are justly proud. However, are they reflected in the special relationship? They are not. The Kyoto treaty was concluded on terms that were believed to suit the Americans but they steadfastly refused to adopt it. They have consistently undermined the UN, and this week they collapsed the WTO talks.

We have failed to make the special relationship work for us. It might not matter so much if we had not paid such a high price in supporting the United States military action in Iraq. In doing that, we began the separation from the world community that has become so stark in recent days.

Let me be clear. I am no pacifist and I had no problems with military action in Afghanistan. Defeating the Taliban and rooting out al-Qaeda was in everyone's interest. If it were not for the folly of Iraq, I believe that we would have made greater progress in that tragic country. Instead we have exacerbated the conditions in which terrorism flourishes. We all know that it is impossible to end terrorism in the middle east if there is no justice for the Palestinians. Only the US has the power to bring about that solution. Perhaps if we had joined the rest of the world last week in condemning Israel's disproportionate use of force, an isolated US might have taken action sooner. There are few tragedies as sad as Lebanon's. After years of civil war, Lebanon had achieved a fledgling democracy, and elected government and an infrastructure largely rebuilt by international funds. It now lies in ruins, and support for Hezbollah, which is responsible for recklessly starting this conflict, has probably increased. This ought to give us cause to reflect on our role in the world, and particularly on our contribution to fighting terrorism and its causes.

In a single decade, our world has changed so rapidly and violently that we need a completely new approach. As I said at the beginning of my speech, our Government have led so much of the progressive agenda. So often, however, we adopt contradictory positions. The recently announced proposal to replace Trident represents just such a contradiction. The UK has worked really hard to keep the non-proliferation treaty alive and to find a diplomatic route to containing Iran's nuclear ambitions. In Trident, we have maintained an awesome nuclear capability, but we have made it clear that, following the end of the cold war, the weapons are no longer targeted.

The non-proliferation treaty was designed to outlaw nuclear weapons, not to endorse them. Without any progress on nuclear disarmament, there can be no intellectual or moral argument against the acquisition of nuclear weapons by any other state. Someone has to break this logjam, and Britain is well placed to do that by forgoing a replacement for Trident.

The deterrence theory that underpins our continued possession of nuclear weapons has long been found wanting. Those weapons did not deter Argentina in the Falklands, or today's terrorist attacks on Israel. Neither has their mutual possession deterred war between India and Pakistan. On the contrary, all talk in the US now is of bunker-busting nukes and weapons designed not to deter but to fight and wage war. How can we possibly justify spending £20 billion on a weapons system for which we cannot even define a use? Our global enemies are failed states, terrorism, climate change, and the poverty and religious divides that fuel conflict. Nuclear weapons can play no part in meeting such challenges.

An Adjournment debate at the end of a difficult Session such as this is a good place to ask what kind of country we want to be. Robin Cook, writing in *The Guardian* in 2004, said that

> "the political values and global priorities of the US and Europe are diverging rather than converging. Clinging to an outdated special relationship is to stay in denial of that uncomfortable truth."

How we miss Robin Cook!

In this country, we have an extraordinary wealth of talent, entrepreneurship, rights and freedoms. We have a great history, and the greatest riches in our arts and cultural life. We have the most diverse capital city in the world. This is why we won the Olympic bid. It is time to choose not to be a country defined by its special relationship and its nuclear weapons, but to be one whose international status rests on an intellectual and moral authority exercised within the rule of law.

4.23 pm

Sir John Stanley (Tonbridge and Malling) (Con): I, too, wish to refer to the community hospitals in my constituency: Tonbridge hospital and Edenbridge hospital. The two hospitals have a similar past and, sadly, a similar present. Both were founded after the first world war as a result of private benefactions and donations and taken into the national health service under the National Health Service Act 1946. Since then, they have both attracted huge amounts of additional financial support from the private sector, running to hundreds of thousands of pounds from private donations and the wonderful activities of their leagues of friends. Both hospitals provide outstanding nursing care and levels of treatment. And yet both hospitals, under the orders of the South West Kent primary care trust, have half their beds taken out of use. The future of both hospitals is at present clouded in uncertainty.

That situation arises not because of any local failure by the South West Kent primary care trust, but because of a disastrous decision taken by the Secretary of State. We face not a local, individual, constituency crisis for community hospitals, but a national one. If ever there were a clear demonstration of that, it was in this House on 28 March, when, I understand, there was the largest ever simultaneous presentation of petitions by 21 right hon. and hon. Members, involving 45 separate community hospitals the length and breadth of the country, from the constituency of my right hon. Friend the Member for Penrith and The Border (David Maclean) down to Kent and the east and west. It is a national crisis, which has been occasioned by the Secretary of State.

The Secretary of State took, in my view, a reckless decision to give absolute priority to one single political target—achieving the 18-week waiting time for acute hospitals, regardless of the consequences elsewhere. To achieve that, she introduced Payment by Results, the new acute hospitals tariff, on 1 April 2005. The desirable consequence of that was a great deal of additional activity in acute hospitals, with waiting times coming down. Regrettably, however, the Secretary of State failed to accompany an improved tariff for acute hospitals with proper revenue arrangements for community hospitals. As a consequence, a significant switch of resources away from community hospitals to the acute sector has taken place.

In my constituency, the South West Kent primary care trust estimates that the consequence of the Secretary of State's introduction of Payment by Results for the Maidstone and Tunbridge Wells NHS Acute Hospitals Trust is a transfer of approximately £2 billion a year from the community sector to the acute sector. Predictably, primary care trusts across the country have gone from the black into the red. By virtue of being in deficit, their community hospitals are under threat. The Secretary of State's announcement of the £750 million of capital will not improve the situation at all. It is capital that will be hard-contested by all Members with community hospitals in their constituencies. The first bids, for the first tranche of £150 million, go in by 30 September, and I suspect that the total bids will be way in excess of that figure. That does not deal with the revenue crisis facing community hospitals.

There are only two routes to solving that crisis. Either the Secretary of State must introduce a proper tariff for community hospitals, or she must extend Payment by Results to cover the community hospital sector. Sadly, it seems that she is setting her face against both of those obvious solutions. The written answer that I received from the Minister of State, the hon. Member for Leigh (Andy Burnham), on 17 July, stated:

> "We will set out shortly plans for the national tariff in 2007-08 but we have never said there will be a community hospital tariff."—[*Official Report*, 17 July 2006; Vol. 449, c. 245W.]

Therefore, the community hospital tariff seems to be off the Government's agenda.

As for extending Payment by Results to the community hospital sector, the Secretary of State said in her letter to me last week, dated 18 July:

> "For services outside the scope of PbR (such as community services) funding should be negotiated locally."

What an answer that is! Why should the community hospitals and PCTs be the Oliver Twists of the national health service, reduced to going out begging local providers for income so that they can return their beds to use? The situation is grossly unfair and unreasonable.

I put it to the Minister, and through him to the Secretary of State, that the position of community hospitals throughout the country is unacceptable. My two hospitals in Tonbridge and Edenbridge ask reasonably and justifiably, with my full support, why 80 years of private donation, effort, fundraising and excellent community care should risk being swept away by the bulldozer as a result of the Secretary of State's mismanagement of NHS finances. That is the central question.

I say to the Minister that the Secretary of State must address the revenue issues. She must provide an assured source of revenue for the community sector, as for the acute hospital sector. Until that happens, there will not be the assured future for community hospitals in this country that, in Edenbridge and Tonbridge and up and down the country, they deserve and need.

4.31 pm

Mr. Iain Wright (Hartlepool) (Lab): I want to use this opportunity to talk about how my constituency of Hartlepool is looking forward with ambition to the 21st century by learning from the experience of the town's economic growth in the 19th century.

This year marks the 200th anniversary of the birth of the man who is universally seen as the founder of west Hartlepool, Ralph Ward Jackson. It was Ward Jackson arguably more than any other individual who had a vision and saw the potential of an underdeveloped area. He also, in 1868, became the town's first Member of Parliament. Ward Jackson primary school has been undertaking research on his life this year. That included a visit to the House, and I pay tribute to the school's hard work.

The school found that Ward Jackson was not a regular parliamentary attender. Indeed, the only contribution that he appears to have made is a vehement objection to the publishing of parliamentary proceedings. But although not a strong parliamentarian, he had a strong vision for the town. In a letter to *The Times* in September 1863, he described the scene on the land between old Hartlepool and Seaton Carew. He wrote:

> "West Hartlepool, with its fine harbour, docks, warehouses and town, situated on the west shore of Hartlepool Bay was, in 1844, an open beach, skirted by sandhills, and behind the desert ridge was an open agricultural country. A solitary farmhouse and a windmill were the only indications of human life and industry that marked the spot. In 1844 there were no works of any kind, no capital, no shipping, no commerce."

Following a slow and gradual decline in the fortunes of the area in the 18th century, the nobility and gentry of the north of England stayed for the summer months in what Robert Wood, in his history of west Hartlepool, described as

> "the romantic old town of Hartlepool and the smart seaside resort of Seaton Carew".

But there was very little enterprise, industry or ambition.

Ward Jackson saw that if he was able to transport coal from the Durham mines to the London markets faster and more cheaply than the relatively new Stockton to Darlington railway, he could make a fortune. He believed that that was possible through the geographical advantage that the Hartlepool coastline gave him: a quick turnaround of ships in the docks made west

[Mr. Iain Wright]

Hartlepool the most competitive port in the region. As well as coal, nearby iron ore from the Cleveland hills was soon transported via the new Hartlepool port. Shipbuilding yards, engineering plants and other associated businesses were soon set up.

The economic and industrial growth of the town was phenomenal. Within 20 years, west Hartlepool had grown to be the fourth largest port in the United Kingdom for foreign merchandise exports, just behind Liverpool, London and Hull. By the outbreak of the first world war, one eighteenth of the British shipping fleet, in terms of tonnage, had been launched from or was owned by Hartlepool yards. That was at a time when the British fleet was bigger than the rest of the world's fleets put together. How on earth was it done? I think that the best analysis comes from Ward Jackson himself. In his 1863 letter to *The Times*, he wrote:

> "It being obvious that, in a totally new creation such as west Hartlepool is, success would best and most surely be realised by making the harbour and docks and every requisite arrangement for shipping and commercial enterprise as comprehensive and perfect as practicable, and in the shortest time."

I am a lover of history and I believe that the study of the past can teach us some pertinent lessons for the future. For much of the 20th century, Hartlepool has been in decline. The traditional industries that Ward Jackson helped to introduce have become obsolete and Hartlepool has spent the last few decades coming to terms with the social and economic repercussions of that decline. We are still dealing with low productivity and economic inactivity and levels of enterprise and innovation that are too low.

Given the challenges and opportunities of the new century, however, I believe that my town can have as bright a future as the one that faced my Victorian predecessors. That will be achieved by embracing Ward Jackson's principle of providing a comprehensive, professional and positive environment in which to start and grow businesses, promote skills and improve the quality of life.

The world economy is forecast to grow by about 80 per cent. by 2020. Globalisation—the interconnectivity and free movement of trade, people, capital and information—will occur at a faster rate than ever before. The greatest benefits of globalisation will accrue to those cities, regions and countries that can access and adopt new technologies. The manner in which those technologies can be integrated and applied will be crucial to a region's prospects for prosperity.

Globalisation means that people, particularly those with the highest skills, will be wanted throughout the world and, given the ease of technology and communication, can be located anywhere in the world. The challenge for cities and regions will be to ensure that the infrastructure and environment of their particular area—their sense of place—are conducive to creating a modern, creative, diverse and innovative place to live, work, raise children and relax, so that talented and ambitious workers will be attracted and will wish to stay.

The expanding global economy will, quite literally, fuel an unprecedented demand for raw materials, particularly energy. It is estimated that total energy demand will rise by about 50 per cent. in the years to 2020, compared with 34 per cent. for the period 1980 to 2000. Growing demand from China, India and Brazil, in addition to continuing demand from the US and in conjunction with increasing political volatility in the middle east, will help to keep oil prices high. Pressure is rightly growing to use more renewable sources of energy, so these trends will also mean that regions that help to capture and refine the energy will become increasingly important.

Hartlepool and the wider Tees valley will play a large part in the world's modern energy sector. There is the rise of biofuels and the hydrogen economy being developed at Seal Sands, and oil and gas-related activities provided by Heerema Hartlepool, which include project design, engineering, construction and commissioning of offshore oil and gas installations. Heerema has just completed the Buzzard project for Nexen Petroleum and has embarked on its next project, the construction of a Britannia satellite platform. My constituency also has Corus pipe mills, a truly global and first-class firm providing the highest quality products made in Hartlepool to assist in the extraction and distribution of energy throughout the world. I have no doubt that by 2020 Hartlepool will be synonymous globally with energy production excellence.

I mentioned that in the period before Ward Jackson and the emerging manufacturing industry, Hartlepool was becoming something of a tourist attraction and I think that in the 21st century we can have both: we can have a modern manufacturing industrial sector, providing high-value jobs, coupled with a reputation for being an excellent tourist destination. Our coastline is breathtaking, our marine facilities are world class and the recent decision on a direct rail link between London and Hartlepool will provide a fresh boost to the town's economy.

In the last month or so, the town has been awarded the tall ships event for 2010. That is on a par for my town with Liverpool's being city of culture for 2008 and London's winning of the Olympics for 2012. Credit must be given to Hartlepool borough council's economic development team, which worked hard to get the tall ships to Hartlepool. The challenge, as with Liverpool and London, is to ensure that the event provides a legacy that will embed Hartlepool's reputation for quality, professionalism and friendliness.

Ralph Ward Jackson saw the economic and commercial benefits that could be realised from Hartlepool's distinct physical features. He established a modern infrastructure that was conducive to enterprise, to starting and growing a business and to attracting and retaining highly skilled workers. He, more than most, was acutely aware of the importance of that sense of place. In the 21st century, Hartlepool needs to adopt its founder's model again.

4.39 pm

Angela Browning (Tiverton and Honiton) (Con): I should like to draw attention this afternoon to the way in which public sector contracts are written, implemented and managed and their impact on my constituents. Whether we are dealing with a service contract—for example, for hospital ward cleaning—or a procurement contract for something such as military helicopters, if the contracts are not drawn up, monitored and implemented properly, it has a huge impact on the services or goods that are ultimately provided.

In the past few weeks, I have to deal with the contracts drawn up by the NHS as part of the change in the way that people in the community are provided with oxygen cylinders. Previously, oxygen cylinders were provided through pharmacies and GP practices, usually at 24 hours' notice. Many people of all ages rely on those cylinders at home. However, the Government have decided to cut out the middle man, and Air Products Ltd now has the contract, under which it was meant to provide the cylinders, guaranteeing delivery at three days' notice; but that is not happening and the impact on some very seriously ill people and their carers is quite profound.

For example, I know of a two-and-a-half-year-old with a very serious heart condition who needs 24-hour coverage with oxygen cylinders. The parents became quite desperate because they could not get access to a delivery within three days. Equally, I know of cases of elderly people who have not been able to get hold of cylinders in time and were frequently promised, day after day, that they would get them on a certain day, including at weekends, but they did not come.

I have been in touch with Air Products. I should have thought that, if the Government wanted to change the system from pharmacies and GP practices supplying the cylinders, they would have got all their ducks in a row and the contract would have been put in place and seen to be working before they made the switch, but that is not the case. One of my constituents was told by the head of the medicines, pharmacy and industry business unit—whatever that is—at the Department of Health:

"you are experiencing"

problems

"with delivery of oxygen supplies for your wife and I appreciate that you will want to be sure of a reliable service. Understandably, patients and clinicians are concerned about these service problems."

When I looked into this, I found all sorts of problems. Cylinders are still with pharmacies. There are problems with people stockpiling things because they are in short supply, which, in itself, creates a shortage. There are also problems with people answering the phones at Air Products Ltd, and I was told that those problems are caused by the fact that so many people are ringing the company that it is having to train staff, who are not yet trained, and until they are trained, they cannot answer the phone in a timely way. I put that to the test to find out how long it took my office to get someone to answer the phone, and it took nearly 15 minutes.

We see those problems right across the public sector. I am also concerned not just about the Government's management of that contract, but about the change in Devon to adult services, particularly those for the elderly and people with learning disabilities. The contracts are about to be turned over to the people who supply the services. I asked the question, "Please will you get the services in place before you make the change?" However, throughout the public sector, there seems to be a lack of skill and understanding about the commissioning and negotiation of contracts and about how to make sure that, if a supplier does not fulfil a contract, the sort of things that should be written into the contract are implemented to ensure that the goods and services are delivered on time. It seems prevalent across the public sector that people are let down and that people who seriously need goods and services, such as my constituents, are put in such a position purely because the public sector does not seem to understand procurement or how to write a proper public service contract.

Mr. Andrew Turner (Isle of Wight) (Con): Does my hon. Friend agree that that is one of the reasons why stoma patients are so concerned about the future of their services? They have a perfectly good service at the moment, but it appears to be undergoing the same transformation as has happened to the oxygen service.

Angela Browning: My hon. Friend is right, and anyone who has ever been involved in procurement or writing service contracts, whether in the public or the private sector, knows that there are some pretty rudimentary rules to follow in getting things in place before making any change. To leave it and see what happens and then decide to train people and change the contract is a back-to-front way of going about this.

I wish to raise another matter. At the beginning of the Iraq war, many Members started receiving representations from constituents whose relatives were serving in the armed forces. The then Secretary of State said that it was the wrong time and place to make complaints and draw to public attention concerns about the equipment provided to our armed services. I know that there are wars going on around the world—and I must say in response to the comments of the hon. Member for Lewisham, Deptford (Joan Ruddock) that although I do not agree with the views that were expressed on Trident, I do agree with the analysis of the situation in Lebanon and the middle east—but what I am about to say must be said.

Many of my constituents who have close relatives serving in the armed forces are genuinely worried not only about overstretch and various other issues that we have recently aired in this Chamber, but about the fact that people serving in the armed forces are increasingly having to buy privately basic pieces of kit and equipment that, frankly, should be provided, and the fact that, in respect of kit procured by the Ministry of Defence, it should be procured in keeping with a set of benchmarks and standards that we would expect to be met.

We have increasing numbers of such debates in this House. Our armed forces serve in new theatres of war around the globe, and it is incumbent upon us—as a nation and as a Parliament—to know about these matters and to be able to reassure relatives, some of whose families have given generations of service to the armed forces, so they know what the implications of service are, that the kit is the best that we can possibly afford and that it is reliable. However, I have grave reservations in respect of both small personal kit and some of the larger procurement contracts that the MOD negotiates.

I was reminded of that at the weekend. There is a family in my constituency whose son is serving in the armed forces. That family has a long history of serving this country. I felt that if such a family express concern about the provision for their son, we in this place should take such comments very seriously indeed. The issue is not only about the practicalities of the way in which contracts are negotiated; it is also about knowing, when we ask people in our armed forces to

[Angela Browning]

carry out their duties, that from the centre—whichever party is in power—we enable them, through their equipment, to maximise their protection and their confidence in the job that we ask them to do.

That links in with my theme today, which is that public sector contracts should be negotiated in a correct and proper manner, and that that should be implemented not only in respect of the public sector contracts that I have mentioned such as those to do with oxygen cylinders, but particularly in terms of the services and goods that are provided to those serving in our armed forces.

4.38 pm

Mr. Michael Wills (North Swindon) (Lab): It is a privilege to follow the hon. Member for Tiverton and Honiton (Angela Browning), whom I congratulate on raising with characteristic eloquence the case involving Air Products. I, too, have constituents who have suffered as a result of that company, although I must say that I was somewhat surprised that she seemed more inclined to blame for the shambles the Government's procurement policies than the company itself, where the responsibility must surely primarily lie.

On past occasions when I have been fortunate enough to be able to speak in debates such as this, I have tended to use the opportunity to urge Swindon borough council to make much needed improvements in their performance, but on this occasion I want to start differently—I want to celebrate something. This year is the 200th anniversary of the birth not only Ralph Ward Jackson of Hartlepool, but of the founder of modern Swindon, Isambard Kingdom Brunel. In 1840, his 21-year-old lieutenant, Daniel Gooch, wrote to him recommending the small hilltop market town of Swindon as the site for the Great Western Railway's new engine works, saying:

> "The only objection I see to Swindon is the bad supply of water".

I must say that those of my constituents who have recently suffered—and those who have suffered for many years—from the neglect of Thames Water and the regular flooding of their homes with sewage because that utility company will not make the necessary investment to prevent that from happening—despite making £350 million in profit last year—might well take the view that not much has changed in Swindon since 1840.

For more than 100 years, the railway works flourished under the stewardship of great engineers such as Churchward, Collett and Hawksworth, whose names live on not just in Swindon street names, but in a tradition of engineering excellence and innovation. Those who visit the steam museum in Swindon—I recommend that all Members of this House and every member of the public visit this fascinating and excellent world-class museum—can see this tradition exemplified in a display board of carriage-door locks. It shows that those engineers were never content and were constantly refining and improving their production, driven, above all, by pride in their craft. That is a lesson for successful businesses everywhere.

Pride, excellence and innovation still underpin manufacturing in Swindon. This is still a town built more than most on manufacturing—on Honda and all the other world-class manufacturing businesses located in the town. It is a town that knows better than most that manufacturing matters—in its own right, and for all the benefits that it brings to the economy as a whole.

Brunel was, in the words of his biographer, Tom Rolt,

> "the archetype of the heroic age of the engineer".

However, no country can rely on the genius of individuals alone for the economy to thrive. The manufacturing on which Swindon and this country depends requires that the Government create the environment in which it can prosper.

I want to spend the rest of the time allotted to me drawing attention to two areas on which it is very important that the Government continue to focus their attention, as I hope they will. In repairing the neglect of decades, the Department of Trade and Industry identified seven key conditions for creating the necessary infrastructure: macroeconomic stability; investment; the promulgation of best practices; the constant improving of skills and education levels; improving the transport and communications infrastructures; and creating the conditions for dynamic, open and transparent markets. They are all important, but I want to use this opportunity to focus attention on two particular areas.

Science and innovation relates to the seventh key condition identified by the DTI, and the Government have given it unprecedented support. Since 1997, they have doubled the science budget—to more than £3 billion—and given industry and scientists the confidence to plan long term for the future by setting out a 10-year framework for science and innovation investment.

Today, I want to welcome the increasing emphasis on basic science—acquiring understanding, as opposed to applied research for specific purposes. At a time of economic and technological change unprecedented in its speed and extent, it would be unwise to invest disproportionately in applied research that could become out of date in a few years. It is often better to invest in the fundamental understanding that can, and does, lead to extraordinary applications that are often completely impossible to conceive at the outset of research. In 1984, for example, Tim Berners-Lee took up a fellowship at CERN, the European organisation for nuclear research, and five years later he suggested a global hypertext project to enable the various existing national proprietary computer technologies housed within this multinational institution to communicate better with each other. This became the worldwide web, and was the basis of the internet revolution that now reaches into every area of our lives. That was completely impossible to foresee just a few years beforehand.

The percentage of total Government research and development funding spent on basic research increased from 31.5 per cent. in 1997 to 39 per cent. in 2003, and it is vital that this focus continues. Enabling brilliance to shine is essential for prosperity, as our competitors understand. China is planning to double the proportion of its R&D spending on basic science in the next decade. We cannot ever afford to fall behind.

The second area to which I wish to draw attention is even more fundamental to scientific and technological achievement: a culture in which the command of mathematics is widespread. This is not the occasion on which to rehearse all the challenges that we face in achieving that aim. However, in 2004 Professor Adrian Smith, acting on a Government remit, reported to the Education Secretary that although mathematics

> "provides the language and analytical tools underpinning much of our scientific and industrial research and development...we currently face a situation of long term decline in the numbers of young people continuing to study mathematics post-16."

Professor Smith came up with far-reaching proposals to tackle the problem, and the Government are developing them. For example, in tackling the problem that too few of those teaching maths are adequately qualified, the Government are driving attempts to raise the percentage of lessons taught by those with a specialism in maths. Some 88 per cent. of those lessons today are delivered by such specialists and that figure should be 95 per cent. by 2014. Progress must continue. As we celebrate the bicentennial of the world's greatest engineer—the founder of Swindon, whose name is indelibly associated with the town that I have the honour to represent—we must continue to ensure that we nourish an environment in which future Brunels can flourish.

May I conclude my remarks by taking this opportunity to wish you, Mr. Deputy Speaker, and the House a peaceful and creative recess?

4.55 pm

Mrs. Jacqui Lait (Beckenham) (Con): I shall follow the hon. Member for North Swindon (Mr. Wills) by raising several issues of concern before we rise for the summer recess. I hope that he will forgive me if I do not address issues of science, technology and mathematics, except perhaps as they apply to the terrible weaponry that is being used at the moment in the middle east. I do not envy those people who have to try to reach some solution to that extraordinarily complex problem.

It is too simple to say that all we need is a ceasefire between Hezbollah and Israel. Hezbollah is a state within the state of Lebanon, which suggests that Lebanon—like so many other weak states—needs the help of the world to gain strength to resist the existence of organisations such as Hezbollah. I was pleased to note that it was not just me being a conspiracy theorist, but that others think that Hezbollah's actions were purely a proxy for Iran and a way to distract the world's eyes from the offer by the US to discuss Iran's nuclear technology and capability—an offer that Tehran probably did not expect to receive from the US. While the world's attention is distracted by the aggression between Hezbollah and Israel, Iran can get on with what it is trying to do with its nuclear capability. Those who will be involved in trying to sort out the problem for the long term have all my good wishes.

Bob Spink (Castle Point) (Con): Does my hon. Friend share my concern about the deafening silence from the UN, which must eventually lead to a solution in the region, and does she accept the imperative of stopping the human rights abuses against civilians and children on both sides right now?

Mrs. Lait: The problem is much more intractable than my hon. Friend suggests, although I hope that those people who hope to make some sustainable arrangements will take his points into account.

I also wish to raise a domestic terrorist issue—the animal rights terrorist movement. Unusually, I wish to congratulate the Government on what they have done to try to curb the activities of a few, very aggressive people. I was pleased that we were able to send down those appalling people who behaved so badly in the guinea pig farm case. I was pleased to note that the Companies Bill contains provisions to make it more difficult for such organisations, although they are unfortunately fairly shrewd and clever, to gain access to shareholders' names and addresses from the registers of companies. Wellcome used to be based in Beckenham, so I have a disproportionate number of constituents who hold shares in some pharmaceutical companies, and they have suffered not only from the latest outrage but from the phone calls at 4 am and the posters stuck on their gates and their neighbours' gates calling them murderers. That is not the sort of treatment that should be suffered by retired, older people.

I urge the Minister to ensure that all the reorganisation in the Home Office does not cause the Government to take their eye off the ball. We have to maintain a high level of policing against animal terrorists, and make sure that the animal terrorist unit is able to continue its work. We must also use all possible legislative means to curb the terrorists' activities.

The people who are involved in animal terrorism believe that direct action works, and they have set out to train a younger generation to continue an outrageous attack on one of this country's key industries. Everyone in this Chamber has benefited from its work, and I suspect that the same is true of the animal terrorists. If they are allowed to continue to take action against the industry, investors will make their decisions accordingly and facilities will close. That will happen quietly and gradually—there will be no announcement that it is due to the industry being targeted by the animal terrorists, but investors will decide that they can invest more profitably elsewhere. As a result, one of our leading industries will simply trickle away to countries that offer a more supportive environment.

Finally, I turn to a matter raised by the hon. Member for Sutton and Cheam (Mr. Burstow). The question of back gardens being treated as brownfield sites is of great importance to people in London's outer suburbs, and throughout the country. The hon. Gentleman gave various reasons why blocks of flats should no longer be built in back gardens, a problem that affects my constituency as much as his, but he slightly glossed over the way in which a suburb's character can change because of increased population density.

People move to a new location as a positive choice. They come to my Beckenham constituency because they want its open spaces, large gardens and wide roads, with all the biodiversity that that implies. They want to bring up their children in leafy areas and they do not want to discover that they are faced with inner-city population densities.

I raised this matter in a Westminster Hall debate, but the Minister who responded seemed to be proud that housing in the outer suburbs was approaching inner-city densities. I hope that the Government can be persuaded to look again—and hard—at the question of population density, and at the way in which the planning function is becoming increasingly centralised. That centralisation is evident in the proposed transfer

[*Mrs. Lait*]

of power to the London Mayor, and in the planning guidance announced in a written statement yesterday. That guidance, which is being consulted on, will make it much easier for central Government to dictate how many houses, and of what type, should go where.

I have long believed that the people who know best what should happen in a locality are the ones who live there. They know that their children need houses, and that older people need different accommodation as they grow older and are no longer able to manage so easily. Local people should be able to decide that their environment will remain as they like it. It is not up to central Government to dictate what should happen.

5.4 pm

Alison Seabeck (Plymouth, Devonport) (Lab): I am delighted to have this opportunity to raise a very serious issue on behalf of one young man in my constituency, William Watrin Cattrall.

William was born in England, at Derriford hospital, Plymouth, on 20 June 1996. His father is English, as are his grandparents, and he has lived nowhere other than the UK. William is a very keen and talented sportsman who would like nothing more than to represent his country, England. He swims and trains with Plymouth Leander swimming club, one of the most successful clubs in the country. Indeed, his ambition, like that of many other young people of his age, is to compete in the 2012 Olympics for the country that he regards as his.

William is a lad like any other. He supports his local football team, Plymouth Argyle; he sees a career for himself in the Royal Navy; and he loves bacon and eggs. He is also forthright in his views and supports the campaign, highlighted in the local paper, to provide funding for the Earlybird project, which is carrying out work on diabetes and obesity. I will return to the Earlybird project later.

However, unlike other boys of his age, William has no status in the UK. He appears to have fallen foul of legislation that has taken four years to implement and was designed to deal with circumstances such as his, where because his mother is not British—she has Dutch citizenship—and because his parents, like many others in this country, were not married at the time of his birth, he is not considered a British citizen. That has caused a number of complications for William, not least the fact that he cannot obtain a passport, despite registering as a minor, as suggested in a response I received from a Home Office Minister last year. That response paralleled guidance from the UK Passport Service—that if the British-born child of a European economic area national is now refused citizenship, as happened in William's case, it is worth seeking advice and considering an application for registration in due course. William did all that, but it made no difference at all.

William's mother was not exercising treaty rights at the time of her child's birth. She arrived in the UK in 1995 and felt no need to do so at the time. She was clearly unaware of the implications for her child when he was born a year later. The history of the legislation that affects William is that under section 1(1) of the British Nationality Act 1981, a person born in the UK will be a British citizen at birth if either parent was then a British citizen or was settled in the UK. Section 50 (9) of the Act goes on to provide that, for that purpose, "parent" includes the mother, but—crucially in William's case—not the father of an illegitimate child.

In most other areas of life the distinction between legitimate and illegitimate children has been abandoned, but we continue to retain it for nationality legislation, although, to be fair, the position changed on 1 July this year when section 9 of the Nationality, Immigration and Asylum Act 2002 finally came into effect—four years after the passage of the Act. However, to the horror of William and his family, it was decided not to apply the provision retrospectively, so as we understand it he no longer has any right to obtain settlement. His mother cannot provide the evidence of her settlement in the UK that is required for the alternative route.

The Cattrall family, and numerous other families in exactly the same position, want to know why the provision was not applied retrospectively. There were newspaper reports recently of the case of Leo Poole, the child of an Italian mother and a British father, born on 30 June—the day before the provision came into force. There are similar examples from around the country.

Through the Minister, I want to ask some questions. What were the reasons for the four-year delay? It surely cannot have been due to lack of availability of parliamentary time. We have found time for a great number of orders to be made since 2002. Why is the provision not being applied retrospectively? Is it the cost, or simply the inability of a hard-pressed Home Office to manage the number of possible cases? Do the Government know the number of people who fall outside the change and who, like William, will continue to fall outside our citizenship rules?

For some time, William and his family have been pressing me to highlight his plight. His hope was that the change to the 1981 Act would make all the difference, but sadly the benefits of the 2002 Act will not apply to him. He is stateless and very unhappy. He simply wants to know whether the Government will, in due course, revisit the policy or offer further advice if we have misinterpreted the provision. We do not think that we have done so, but if we did I am sure that William would be delighted.

I want to touch on the Earlybird project, which is being carried out by the Peninsula medical school in Plymouth and led by Professor Terry Wilkin, to research the links between childhood obesity and diabetes—currently at the top of our public health priorities. The project is unique and has received testimonials from around the world. The researchers have visited the House of Commons and given evidence to the Select Committee on Health.

There is no other similar study at present and it would be catastrophic if this study, which has been going for six years, were stopped at this juncture because of a lack of funding. It is a 12-year study of 300 children across Plymouth, from a cross section of socio-economic backgrounds. For six years, the team has been testing the group—since the members of that group were five years old. The data collected are already proving useful. Surely, if the Government want to ensure that NHS funding is effectively targeted to tackle obesity and the diabetes that follows, strong evidence-based research should be used.

The future of this valuable project is at risk because £40,000 of NHS funding last year did not materialise. The Peninsula medical school is an excellent new facility, but because it is new it does not have the benefit of some of the longer-standing medical schools in terms of endowments, so it is not able to support the project, as it would certainly want to do. We are talking about a small team of medical researchers, not fundraisers. I have already written to the Minister to urge serious and urgent consideration of the research and development funding required for the project. I hope that, through him, a message will go back to the Department of Health about the importance and urgency of support for the Earlybird project.

5.10 pm

Mr. Peter Robinson (Belfast, East) (DUP): I should like to touch on one subject in the period left before we rise for the summer recess: the way in which the Government recognise the gallantry, service and devotion of those who have served in Her Majesty's forces—in particular in regiments that have been stood down. I want to touch on the Ulster Defence Regiment, which grew into the Royal Irish Regiment, the home service battalions of which were stood down in recent days.

First, I should say that I believe that the Government proposed a sensible package for the men who had been in the RIR, which was welcomed by many, although some people who served in the regiment ended up less well off than others and might not be as generous about the Government's role. However, by and large, it was a good package.

I also welcome the fact that the Government have recognised the additional difficulties faced by Ministry of Defence staff in Northern Ireland, who are being made redundant. They will not be able to find a job on the high street in the way in which MOD staff can in Great Britain. At least 50 per cent. of employers will not touch them and it will probably be a much larger slice than that as soon as the employers hear about their previous employment. I welcome the increased offer that the Government have made to MOD staff; many of them will welcome that, as well. I also welcome the sensible step that the Government took to increase the bounty, from £10,000 to £20,000, for members of the RIR who transfer to other regiments and remain as soldiers in Her Majesty's forces.

Having welcomed all those things, may I touch on some issues that I trust the Government will take on board? The Government are considering in what way the RIR and its personnel can be recognised. I know that, to some extent, the Army likes to keep a certain amount of control over the awarding of medals and I know that the Government will at least want to recognise the role of the regiment as a regiment. However, many of us in Northern Ireland believe that the individuals who have put their lives on the line should be recognised by the Government and that there should be a medal struck specifically for those who have served in the RIR. Although I hear some rumours in the MOD that it is looking at a regiment recognition, as opposed to a soldier recognition, I trust that the Government will look again at that important issue. It might not seem much to many outside the services, but for those who have served in the most horrible and dangerous of circumstances, it is due recognition for the contribution that they have made.

For the Ulster Defence Regiment, a matter relating to the accumulated campaign service medal continues to be a sore. The medal is available to full timers who complete 1,080 operational duties, or part timers who complete 1,000 operational duties. That would appear to make it fairly simple to determine who is entitled to the medal, but regrettably it does not work out that way. The Ministry of Defence says that, as a matter of policy, it has disposed of records that were completed manually, and it now relies on those available through IT. The problem is that, before 1984, records of operational duties were compiled manually, so the information is no longer available to the MOD.

I have been pressing the issue for a long time, and I thought that the problem had been cracked when the MOD made it clear that it was setting up a special group that would consider any applications, and that would take evidence from senior officers and others on whether a person had completed the necessary number of duties. However, it has not worked out. Many of my constituents complain that they completed that number of duties and more, and had letters from senior officers in the regiment saying that they had done so, but were turned down for the medal. One of the champions of the campaign is my constituent, Samuel Fisher. Although he has letters from senior officers not only stating that he completed the number of operational duties required, but listing the operational duties that he performed, he is still not being given the medal. It is unacceptable to leave people who have served their country so well with that kind of gripe. I trust that the MOD will look into the issue again.

I do not want to devalue the medal by simply making it available to anybody who applies and claims, on their honour, to have completed the duties required, but some combination of the soldier's length of time in the regiment and the available records should be used to enable the MOD to reach a conclusion. Certainly, a more generous approach could be taken; there should be an assumption in favour of the soldier, rather than an presumption against, as seems to be the case at present. I trust that the Minister will relay that to his colleagues and will look sympathetically on the case of those who have served our country well. As we come out of conflict in Northern Ireland, I trust that we will remember those who stood by us when it was at its height.

5.18 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): I wish to speak on a subject of great concern to me and my constituents: the unfolding tragedy in Lebanon. It is worth reminding the House how the crisis began. It started two weeks ago, when Palestinians in Gaza captured an Israeli soldier with the intention of negotiating the release of some of the 9,000 Palestinian prisoners of war in Israel. Gaza took a pounding. There were attacks on electricity and water supplies and thousands of people suffered, but the rest of the world did nothing, including the Arab states.

[Ms Diane Abbott]

Hezbollah decided to do something about the situation and to pose as the champion of the Palestinian cause. It responded by capturing two more Israeli servicemen and, eventually, by firing rockets into Israel—most, if not all, of which were aimed at civilian targets. Of course, Israel absolutely has the right to defend itself and respond to the missile threats, but the issue for me, my constituents and most of the Governments in the world, with the exception of those of America and Britain, is Israel's excessive use of force. Jan Egeland, the United Nations Under Secretary-General for Humanitarian Affairs, has described the Israeli response as a violation of humanitarian law.

Earlier in the debate hon. Members spoke of the need to strengthen the Lebanese state. Of course that is important, but I am not clear how killing 370 Lebanese civilians, forcing 500,000 people to flee, smashing the bridges and roads, blockading the port and smashing the capital, Beirut, will strengthen the Lebanese state and make Lebanon more stable. Of course, Israel has a right to self-defence, but as matters stand, casualties on the Israeli side and casualties on the Palestinian and Lebanese side are running at about 1:10 in favour of the Israelis.

Israel insists that it is hitting only targets related to Hezbollah, but we can all see on our television screens the hundreds of civilians who are being hit, whether intentionally or unintentionally. Only yesterday television pictures were transmitted of two Red Cross vehicles clearly marked as Red Cross vehicles, lit as Red Cross vehicles, with Red Cross flags on top, which were deliberately bombed by the Israelis. Not only the patients inside the ambulances, but the Red Cross personnel were put in hospital.

We have heard terrible reports of some of the Israeli activity, which may yet be seen to verge on war crimes. There are several instances of the Israeli military ordering civilians to leave their homes and then firing rockets into the evacuation fleet, blasting women and children refugees inside. The rockets that killed them are believed to be Hellfire missiles made by Lockheed Martin in Florida.

The Israeli Government have not chosen the route of de-escalation and negotiation. Instead, they have chosen war. Britain and America are standing back and, as it is described, letting Israel deal with Hezbollah. What historical precedent is there for such military action successfully dealing with insurgent guerrillas, which is what Hezbollah is? Did it succeed in Malaysia, Cyprus or Kenya? How can it succeed in Lebanon?

The action that Israel is taking in Lebanon looks increasingly less like an attack on a terrorist organisation and more like an attack on a nation. It looks increasingly like the collective punishment of the Lebanese people for failing, in Israeli eyes, to do more to contain Hezbollah. That cannot be right or fair, it is contrary to the laws of natural justice, and it cannot work, because for every Lebanese civilian who dies as a result of the current Israeli action, there will be many more recruits for the Hezbollah extremists, so even in its own terms, neither militarily nor politically can the Israeli bombardment of Lebanon achieve the professed aims.

It is noticeable that even the strong middle east allies of Britain and America, such as the Iraqi Prime Minister yesterday, have clearly condemned what is happening. It is difficult for Britain and America to pose as people who wish to fight for human rights and national sovereignty across the world, when the Arab world sees what is happening to Lebanon. There is the never ending war in Afghanistan, the increasing devastation of Iraq, where thousands of people are dying, the continuing death and destruction in Gaza and the bombing of Beirut. How does that look on the Arab street? How does that make the world a safer place?

Mr. Nigel Evans (Ribble Valley) (Con): It seemed rather strange that no early ceasefire was sought by the United States or the United Kingdom; all that they talked about was an effective ceasefire. Surely any ceasefire that would have prevented the deaths of innocent men, women and children would have been an effective ceasefire. What does the hon. Lady believe the Arab states should be doing themselves to ensure that Hezbollah is properly removed from the area so that it cannot perpetrate its terrorism on Israel?

Ms Abbott: There is no question but that Syria and Iran could rein in Hezbollah if they so chose. But I agree that an effective ceasefire is one where the shooting stops, and if the shooting had stopped days ago, many hundreds of Lebanese men, women and children would be still alive and uninjured, and perhaps half a million Lebanese would not still be fleeing for their lives.

What is happening in Lebanon, and the failure of Britain and America to take immediate action, reflects poorly on us throughout the world, makes the world a more dangerous place, and puts us in Britain in danger, because it will be seen in the context of what is happening across the middle east.

I do not deny that Hezbollah and its patrons in Syria and Iran have a major responsibility for what is happening, but it is also the view of many of my constituents that Israel's continuing excessive and counter-productive military response approaches a war crime. My constituents and others have written to me to say how saddened they are that they do not see a British Prime Minister taking a clearer position on this.

My hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) said earlier how little the British Government have moved from being America's poodle in these matters. If the British Government had stood with their European counterparts in calling for an immediate ceasefire, we would have won respect around the world. Israel clearly believes that it has informal approval from George Bush and from our Prime Minister to continue its assault on Lebanon, both from the air and in a series of ground incursions across the border.

The Prime Minister should take advantage of the special relationship with the American President to put pressure on the US to demand a ceasefire. We must encourage all sides to respect each other's sovereignty as well as international law, and work for the release of all prisoners held illegally without trial, as a means to end the current crisis. But above all, a negotiated settlement is the only route to a lasting peace in the middle east. The international community must make haste and contribute to bringing about the conditions necessary for the resumption of negotiations to allow humanitarian aid and the delivery of medicines and food to reach those in desperate need in order to avoid humanitarian catastrophe in the Lebanon.

What unfolds in the Lebanon this summer will, despite the fact that Parliament is formally in recess, engage the attention of many of us, and I hope that if there is a very pressing crisis it may be possible to recall the House for a full debate.

5.28 pm

Mr. Phil Willis (Harrogate and Knaresborough) (LD): It is a pleasure to make a brief contribution to this summer Adjournment debate. I wish to take this opportunity to raise just one issue that affects my constituency, but given the comments of many hon. Members it is the same issue that affects many of theirs—the crisis in health care in our constituencies.

I raise the issue of health care in Harrogate and Knaresborough with particular sadness, because throughout my time in the House I have been at pains to point out my thanks and admiration for all those clinicians, managers and support staff who have made health care in my constituency a beacon of excellence.

My constituency is blessed with arguably the finest and most dedicated group of general practitioners to be found anywhere in the UK. Those GPs have embraced reform, modernisation and the move to enhance the opportunities to deliver ever more services by primary care.

We also have a general hospital, the Harrogate and District NHS Foundation Trust, which was ranked as a three star hospital for three consecutive years before achieving compliance status as a foundation trust in 2006. It currently sees 100 per cent. of cancer patients within 14 days and treats them within 31 days of diagnosis. It also treats 100 per cent. of elective patients within 13 weeks, and it has one of the lowest rates of hospital MRSA in Britain. And it has balanced its books in every single year since 1992.

All that has been put at risk by the Government's boom and bust policies and the arrogant tactics of the PCT, which appears more interested in pleasing its paymasters in London than patients in north Yorkshire as its officers scramble for posts in the new PCT structure. I say that with sadness, because until recently the Craven and Harrogate PCT delivered its services effectively, and it has remained in financial good health since its formation. In the space of six months, however, local GPs have come close to declaring a vote of no confidence in the chief executive of the PCT and are openly refusing to implement cuts in services that will put their patients at risk—good on them.

David Howarth (Cambridge) (LD): Does my hon. Friend agree that if local health authorities were democratically accountable, which they are not at the moment, very little of what he has described would have happened?

Mr. Willis: I would like to believe that, but the problem is that there is currently no accountability within the service. Unaccountable people in unaccountable quangos have made the decisions, which affect a significant number of my constituents.

The GPs were up in arms after the PCT issued new guidelines effectively blocking all but critical and urgent referrals. The guidelines cancelled access to treatment such as dermatology and led to the vetting of referrals through an internal administrative sieve. The proposals, which were presented without consultation with GPs, ignore GPs' ethical, professional and regulatory obligations. GPs provide the primary care bedrock to our NHS service, and it is important that we recognise their position. It is unacceptable for non-clinical staff to make judgments about GP referrals, as if GPs refer patients simply for the fun of it. Consultation is key in tackling any difficult situation in any organisation, and it is crucial in the NHS. I hope that the Deputy Leader of the House will persuade the Secretary of State for Health to make such consultation a statutory requirement, not an add-on, in future.

The GP referral issue impacts directly on both secondary and tertiary care, which means a direct impact on the Harrogate and District NHS Foundation Trust. Again, relationships have not simply broken down, because the two bodies are about to end up in court, where the worst case scenario is the closure of one of the country's most modern and most successful hospitals. The hospital's crime is that it treats patients too swiftly and too effectively. To deal with that, it must cut its activity by making patients wait for treatment until their conditions deteriorate, which means that staff and facilities will be under-utilised.

More than £1 million of activity is being purchased from the private sector as part of a bizarre notion of choice. My constituents have been told that they can choose a hospital for their treatment provided that it is not their local NHS trust, which is the politics of the madhouse. Last year, the Harrogate trust was actively encouraged to take on more work, treat more patients and decrease waiting times and lists, all of which was in line with the Government policy of payment by results. The trust delivered the results: £3 million worth of extra patients in record time with top quality results, but the PCT has refused to pay up. The patients have been treated and the hospital has incurred the costs. At no time did the PCT discourage the activity, but it now claims that it does not have to pay and that the hospital should absorb the costs in the coming year. No business in the land could operate in that way, let alone one with a hugely expensive infrastructure. My local hospital cannot survive having its base budget slashed while being told to maintain current levels of activity. The Government must intervene in this dispute, if only to clarify their own policy. Foundation trusts are paid by activity or they are cash limited with their activity determined by an outside non-clinical body—one cannot have it both ways. They cannot be expected to ride two horses at the same time. The Secretary of State must accept that the £3 million deficit that my trust faces should be managed over an equivalent number of years and that from now on all activity commissioned must be paid for by PCTs.

The future of health care in Harrogate hangs by a thread as we speak. If the current policies of the PCT go unchallenged—I suspect that a new chief executive and a new board will be required to win back the confidence of the clinicians—Harrogate could see its hospital closed and its GPs become ever more disillusioned. I sincerely hope that the Minister's right hon. Friend, the Health Secretary, is able to step in before it is too late.

5.35 pm

Michael Jabez Foster (Hastings and Rye) (Lab): I am afraid that my contribution may be repetitious in that it, too, relates to health. Later today, I will have the honour and privilege of presenting a petition bearing some 20,000 names organised by John and Margaret Baker on behalf of the Friends of Conquest Hospital in Hastings. That petition—the 20,000 names are only "on account", as many more thousands are still signing—will tell the health authorities and the Government that we will not agree to the closure of our accident and emergency department. Given the massive record investment in health by this Labour Government, which has produced so much in recent years, it seems bizarre that such a petition is necessary, so what on earth is happening?

I worry that many of the decisions being taken are similar to those described by other hon. Members—decisions by managers that create a democratic deficit even greater than any apparent financial deficit. Why is it that at the top Ministers seem to make sound and sensible proposals, but at the local level we Members of Parliament appear to be impotent, incapable and unable to be any part of the decision making?

Sarah Teather: I am facing a similar situation in my constituency, where the trust is consulting on the reconfiguration of services, which may include the closure of an ambulatory care and diagnostics centre—a brand new unit opened by the Prime Minister in 1999—or the downgrading of an accident and emergency unit at Central Middlesex hospital to a minor A and E unit. People are afraid that even when the hospital consults, it may not listen to what they say.

Michael Jabez Foster: I appreciate the hon. Lady's concerns for her own area. Of course I do not know the details, but what is happening there might be similar to my local situation.

The position is even worse than I have suggested, because the problem is not just the decisions but the way in which they are taken. Every week, we see graphic, dramatic, crisis-ridden headlines saying that 1,000 jobs are to go. Of course they are not, but the fact that such statements are allowed to be made is creating trauma in the local community. It is bad for our blood pressure as Members of Parliament to see such bizarre headlines. In any case, they are making a drama out of a non-crisis, because in fact the funding is not far behind—it is the decision making that is far behind.

I want to encourage my very able right hon. and hon. Friends in the Department of Health to take back control—not only to take responsibility, which I know that they do, but to become more hands-on and work out for themselves what is happening in trusts that are allowing such decisions to be made.

I appreciate that we are conducting the annual whinge debate, during which we all have a go about the terrible things that are happening in our constituencies. In fact, many wonderful things are happening in Hastings and Rye. Regeneration progresses apace and the health service is wonderful. Why do we keep pretending that it is not? Why do we keep threatening our local community with unnecessary dire predictions of closing various services?

The history of that began when our local strategic health authority published a paper called "An NHS Fit for the Future". The SHA said that it supported the Government's view that investment and reform were necessary. We all agree with that. However, it also said that in areas such as Hastings and the Sussex coast, accident and emergency services should be provided only in areas containing 400,000 people. That immediately makes people believe that Hastings and the other towns along the coast such as Eastbourne will lose their accident and emergency departments—although we do not know that.

It gets worse, because the local media then start talking about downgrading to cottage hospitals. I thought that that was all right, because I could simply ask the chief executive to cross out the words "cottage hospitals" so that we all knew that we were not considering that. However, she said no, that she had a blank sheet and she had to think things through from the beginning. Of course the hospital in question will not become a cottage hospital—but why on earth can the SHA not say so? Why can it not say that some changes will take place but that all the dramas and crises, with people worried about their jobs, are unnecessary?

When people are worried about their jobs, staff numbers reduce because those who are most able to leave will go. We can then end up with staff who are not necessarily the most able. Of course many are able, and we are fortunate that the staff in our local hospitals are so good. However, behaviour such as I have described leads to an unnecessary predicament that, in management terms, defies belief.

Mrs. Betty Williams (Conwy) (Lab): Although health is a devolved issue in Wales, does my hon. Friend accept that such behaviour happens throughout the United Kingdom? What health trusts and local health boards call a consultation exercise is usually not that, and the scaremongering tactics by the press and others create fear in people's hearts. Can we not have proper consultation exercises, which ask the right questions?

Michael Jabez Foster: My hon. Friend is right. The media will always jump on a bad story—but why do we give them the story? Why do we create crises?

David Howarth: I am trying to follow the hon. Gentleman's argument. In my area, the primary care trust is £45 million in deficit. Does he claim that that is not real?

Michael Jabez Foster: No. I do not know how competent the hon. Gentleman's PCT is; mine is extremely competent, and in balance.

Several hon. Members *rose*—

Michael Jabez Foster: I am sorry but I shall take no more interventions, because of the time.

It is not only the SHA decisions on accident and emergency departments that cause problems. When one encourages hospital trusts to consider such possibilities, other bizarre ideas are formulated. Three or four weeks ago, our local hospital trust decided overnight to close the maternity department. That decision lasted only

48 hours, and is now to be considered over six months. Doubtless my threat to mention the matter to my right hon. Friend the Prime Minister helped. Whatever the reason, the decision caused unnecessary alarm and despondency. We must get to grips with such decisions.

Apart from being the centre of the universe and the place where everyone wants to be born—and there will be no future Hastingsers if the maternity department shuts—Hastings is the 27th poorest town in Britain. It has no network of roads. It is 30 miles to one hospital and 20 miles to another, with no motorways and only six miles of dual carriageway in the county. Forty per cent. of my constituents have no car of their own. How could they travel that sort of distance, and why should they have to do it? There is therefore special pleading to be made for areas such as Hastings.

However, my greater point is to ask why the people of Eastbourne should lose their A and E department. There is simply no reason for this kind of dramatic decision making, and 20,000 people in Hastings—and no doubt many more to come—are saying no to the closure of their A and E and maternity departments.

If that were the only problem, it would be bad enough. However, there are so many more—

Mr. Andrew Turner *rose—*

John Bercow *rose—*

Michael Jabez Foster: I cannot give way. I would, of course, but I have no time.

I want to talk about the strategic health authority making decisions about our primary care trusts. A few weeks ago, it decided that we were to lose our focused, excellent primary care trust, which is within budget, on delivery and all the rest of it. Thankfully, however, Ministers intervened and decided that we should retain our local PCT. The subsequent decision of the SHA—some have described it as the revenge of the SHA, although I would not use that word—was to say that we could have two primary care trusts, but we could only have one chief executive to run them. That is meaningless. The SHA appointed a new chair for the PCT—an excellent individual—but it was not surprising that when he learned that he was to work with only half a chief executive, he decided not to take the job.

That is the nature of what is going on in the NHS in my area. Of course, at the lowest level it is delivering brilliantly. People are being seen much sooner than ever before, all the bells and whistles are there in the heart department, and all sorts of wonderful things are happening. People are generally happy with their NHS—*[Interruption.]* They might not be in some Conservative areas, but perhaps that is because they just want to complain. However, in my area and most others, people are certainly happy with the NHS. Given that that is the situation, I want to encourage my right hon. and hon. Friends in the Department of Health to seize the opportunity provided by the success that they have achieved recently, and to urge them not to let the bureaucrats mess it up.

5.46 pm

David Tredinnick (Bosworth) (Con): I am grateful to have been called to speak in this very busy debate. I, too, wish to refer to the serious crisis in Lebanon. Like many other Members, I am deeply concerned about what is happening there. I see it as a tragedy of errors—a war that did not have to take place and should not have begun. The Government's policy on the issue is quite extraordinary and needs to be examined. I should like to draw on my experiences in Northern Ireland, where, a long time ago, I was responsible for building part of the peace line in Belfast. I had the experience of driving the pikes into the ground at that time.

The policy of the Israeli Government is absolutely catastrophic. It was the greatest error imaginable to move back into Lebanon, and the UK Government policy on this is totally misguided. What Israel's policy has achieved for Israel is desperate: its northern cities are being attacked at a time of holiday, families are being killed, and the country is less secure than ever. It is more threatened than it has been for many years, and it is now faced with rockets with a greater range than ever before.

When I heard about the capture of the Israeli soldiers I thought, "What a great opportunity for Israel to show statesmanship. What an opportunity for them to step back and give a measured response." That was obviously what was needed. Hezbollah was clearly not being controlled by the Lebanese Government. From my experience in Northern Ireland, I question whether the Hezbollah people who took those soldiers were really controlled by Hezbollah. This looked like the work of a splinter group, rather than the main Hezbollah.

The Israelis' absolute refusal to have any discussions on the issue was what started this war. We are told that Hezbollah started the war, but it did not. What started it was the fact that there was no negotiation. Historically, in 1979, 1985, 1996, 1997, 1998 and 2004, Israel negotiated over the release of prisoners. The reason Hezbollah did this was not that it was being pushed by Iran but that it has thousands of prisoners in Israeli jails—men, women and children. That is what caused this resistance movement to gain energy and to take this desperate course of action. Now, Israel is faced with this attack. I do not condone or support it; I think that it is a terrible mistake.

The response of the international community has been even worse. Who can remember Henry Kissinger flying between cities as fast as he could to try to resolve past crises? What do we have here? We have a G8 that is incapable of coming up with a formula. We have an American Government who have given the Israelis a free hand to smash up Lebanon under the pretext that that is necessary to defeat Hezbollah. We have a British Government who—I say this really of the Foreign Secretary—appear to parrot American policy. When a commentator on the Radio 4 "Today" programme asked the Foreign Secretary about Iraq in connection with Lebanon, she appeared to think that there was no connection. She is completely out of touch.

We now have the ludicrous situation in which the demand made by the Israelis for the implementation of UN resolution 1559 calling for the Lebanese Government to control and disarm Hezbollah—which has become less likely than ever—is now a policy. Against that background, other UN resolutions—242 and 338, calling for the withdrawal of Israelis from "territories occupied"—are completely ignored, as if they had never existed. What folly it is to have that policy now. Britain has no troops in Israel but

[David Tredinnick]

thousands across Arabia, had a terrorist attack in London last year, and has 1.6 million Muslims, and yet we have managed to put most of our friends in Arabia off-side by not coming out strongly against the destruction of civilian infrastructure, affecting Arabs, Christians and all those in the emerging democracy of Lebanon.

What folly it is, too, to take no notice of the fact that Hamas won the elections in Palestine. We support democracies when it is convenient—that is the American way—but what happens when the wrong people are in charge? Has anyone remembered that Hezbollah runs schools, as the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) said, and has been elected to the Beirut Parliament?

Why are we in such a mess? I have referred to the Foreign Secretary, but let me talk for a while about the Prime Minister's special envoy to the middle east, the noble Lord Levy. He has not visited a single Arab country—I have looked it up—but he has made copious visits to Israel, of which he is clearly a strong supporter, with a business and relations there. He is supposed to be impartial. Why did the Prime Minister not choose someone who is an old Arab hand and really knows his way around the middle east? If we go to the Spinwatch website, we find that apparently, when the noble Lord took on his other role to raise large sums of money for the Labour party, it was on the

> "tacit understanding that Labour would never again, while Blair was leader, be anti-Israel".

I have done a rough check on Library figures, and about a quarter to a third of all the money raised in loans for the Labour party since the noble Lord has been involved has come from pro-Israeli supporters. When we have thousands of our troops in Arab countries, is it possible that there is a link between the Labour party being short of money and British foreign policy in support of the Israeli position? Is it possible that the Government are conveniently ignoring our interests in the wider Arab world because of Labour's domestic difficulties? I hope that someone will investigate this important matter.

I fear for our troops in Iraq and Afghanistan. The Government have done them a great disservice by not coming out strongly against the attacks on Arab civilian installations. It makes their task much more difficult. It is absolutely essential, however, that we take a more sympathetic view, and that we listen more to our British Muslims and try to give them comfort by not simply going along with an American policy that is clearly at variance with that which most people in the world believe to be sensible.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. The winding-up speeches will begin at 6.40 pm. As many Members clearly wish to speak, may I suggest that speeches lasting between three and five minutes might enable more to do so?

5.54 pm

Mr. Nigel Evans (Ribble Valley) (Con): I shall obey your command, Madam Deputy Speaker, but it is important for us to discuss one or two more issues before we adjourn.

As the Minister now on the Front Bench will know, the House will go into recess today and we will not return until the second week in October. What is mentioned every year at about this time is that the processes of government continue, decisions continue to be made, and Ministers continue to work. Some people confuse recesses with holidays. "Recess" means that Ministers are still working in their Departments, and will take just a couple of weeks off, like most other people. As Members of Parliament too, we need an opportunity to table written questions to Ministers during recesses. The summer recess is a very long period. I know that this is mentioned time and again, and the Minister always says, "We are looking into it," or, "The Modernisation Committee is looking into it," but is it not about time that we had a decision?

I also want to mention one or two local issues. One is the A59 in my constituency, which I have mentioned in the House before. There is one particularly dangerous junction where we see many accidents—including, sadly, fatalities—every year. The county council has erected some bollards to prevent traffic from turning right at the junction between Sabden and Clitheroe, but accidents still happen there. What is needed is a roundabout, but we are told that the county council has no money with which to provide one. That strikes me as rather odd.

We are obsessed with road safety in this country. Nowadays we cannot go anywhere without seeing speed cameras all over the place, and I understand that millions of pounds are raised in fines. Would it not be intelligent not just to plough that money into new cameras, but to spend some of it on road safety measures? One such measure might be the provision of a roundabout on that road in my constituency. The money could also fund projects for which county councils could bid if it could be proved that they would save lives. I hope that the Minister and the Government will think more about that.

I shall mention only one other issue—the joint strike fighter aircraft. I am a member of the Western European Union delegation. A number of WEU Members visited Washington recently to look at the aircraft, and we were also proud to see all the work that was going on when we went to the Farnborough air show. Some of the aircraft is manufactured in Samlesbury, in my constituency.

The issue with which I have a problem is the lack of technology transfer between the United States of America and the United Kingdom. We are fighting shoulder to shoulder throughout the world, yet when we ask for technology to be transferred to this country we receive a complete blank from the United States. We met the deputy Defence Secretary, who said that there was no problem between Government and Government but there might be a problem between industry and industry. That is clearly a load of rubbish, and indeed other Americans to whom we spoke during our visit completely discredited what he had said.

We were expecting an announcement at Farnborough about further technology transfer, but that has not happened. The joint strike fighter is an important military aircraft for the future of manufacturing in the United Kingdom. If we are to engage in future collaboration, there must be a proper understanding between the partners that technology is transferred, and that that should not happen only in one direction. The United Kingdom has transferred technology to the United States on short take-off and vertical landing. We did it in one direction; I simply cannot understand why it is not happening in the other direction. I know that the Government are already looking closely into that, but I hope that they will shortly announce that we are making further progress. We want collaborations to take place in the future, but that will require proper technology transfer—in both directions.

5.58 pm

Richard Younger-Ross (Teignbridge) (LD): I shall try to be fairly brief, Madam Deputy Speaker.

There are a number of issues that I think the House should debate fully before the recess, one of which, the middle east, has already been touched on. I ask the Deputy Leader of the House to reassure us that Parliament will be recalled during the recess if the situation in Lebanon deteriorates, if the situation in Iraq deteriorates and the country ends up in full civil war, and if our relationship with Iran deteriorates. Those are all serious matters that need to be dealt with in the House.

We now have a two and a half month period in which we cannot hold the Government to account. That period was shorter in the past, because we sat in September. That sitting should be reinstated so that we do not go quite so long. We still have time off during the rest of the year, but we no longer make up for it in September, so the sooner we reinstate the September sitting, the better.

To return to the current crisis in Lebanon, I have heard reports that the Israelis are using a new type of shell, the shrapnel from which is not detectable on X-ray. That makes it very difficult for the doctors who are treating the injured to remove the offending particles from the body. I hope that the Government will look further into that matter and find out whether those reports are true. I trust that the Minister will pass that on.

Domestic matters are important to my constituents and none less than water charges. South West Water has its annual general meeting this Thursday and MPs and councillors will be protesting at that meeting about the high level of water charges in the south-west—the highest in the country. As has been put on record before, 3 per cent. of the population is still paying for cleaning up 30 per cent. of the country's beaches.

The high water charges are not just the responsibility of South West Water. They flow from the mechanisms of privatisation, whereby there is no method for spreading infrastructure costs across the country, so they have to be borne by the individual water companies. The costs in the south-west are disproportionate. With above-inflation council tax rises as well as excessive water charges, pensioner households in the south-west are spending between a fifth and a quarter of their income on those costs alone. That, quite frankly, is unacceptable.

I want to make just two further brief points. First, affordable housing is a real problem in the south-west. We need a proper debate about when the Government are going to tackle the problem of affordable housing in Devon. In Teignbridge, the cost of housing as a percentage of income is higher than anywhere in Surrey: the Government will provide assistance for emergency and other workers in Surry, but no such aid or assistance comes to Devon or to my constituency.

Lastly, I want to say a few words about planning. My background is in architecture and over many years I have watched towns being blighted by poor planning decisions. I am talking about coming into a town and having to see the back end of a supermarket because the planners were not prepared to opt for a more attractive front. The Government are able to help in respect of Government and local government buildings, and I urge them to improve the planning quality of some of their buildings.

To provide one example, a fire station was built in Teignmouth in a prime location for tourists entering the town. It is a beautiful spot. There is nothing particularly wrong with the design of the fire station; it is competent enough, but being in such a prime location, it should have been a lot better. When I argued that the fire authority should provide a better design, it said that there was no time or money to do so. That was nonsense and the problem is that the station will be there for years to come.

6.3 pm

Mr. David Lidington (Aylesbury) (Con): Yesterday, the Healthcare Commission published the results of its investigation into outbreaks of clostridium difficile in Stoke Mandeville hospital. Its report describes the most appalling human tragedy. There were more than 300 cases of people taken ill between 2003 and 2005 and more than 30 people have died either definitely or probably as a result of that infection.

Stoke Mandeville is the local hospital for the great majority of my constituents and it is the biggest employer in my constituency. To make my personal interest clear, it is the hospital at which all four of my children were born and on which my family rely for our own medical care.

The Healthcare Commission's report described in pungent terms serious failings and misjudgments by the local management team. It is important that those lessons be clearly learned and that procedures are followed in future to avoid that shocking sequence of events happening again. However, the commission's report also includes recommendations that clearly require a response from Ministers.

On page after page of the report, the commission describes occasions on which the wish of the infection control staff at Stoke Mandeville hospital to ensure that the control of infection and the isolation of patients was given priority over other things came up against the insistence of the hospital management that Government targets on case management, waiting times and finance had to be met first; and against a sincere, strongly held belief on the part of senior hospital management, which I know from my constituency experience is by no means confined to Stoke Mandeville, that failure to deliver on those Government targets would put people's jobs at risk and lead to serious financial penalties being imposed on the hospital.

In the time available, I am unable to list as many examples, drawn from yesterday's report, as I would wish. I will confine myself to one example. On page 89 of the report, the commission states:

> "At Stoke Mandeville Hospital, the increased throughput of patients needed to meet performance targets resulted in patients being moved, difficulties in isolating patients with infection and high occupancy of beds."

[Mr. David Lidington]

It continued:

> "The lack of suitable isolation facilities at Stoke Mandeville Hospital was exacerbated by changes to wards such as 'ring-fencing' surgical beds in order to deliver Government's targets... Higher occupancy of beds meant that there was less time for thorough cleaning."

I have visited the hospital, both as the Member of Parliament and in a private capacity as a visitor, on many occasions over the past 14 years. I have full confidence in the professionalism and dedication of its staff, from cleaners, nurses and doctors to the management. I believe that its staff can learn the lessons of the report and reassure my constituents that they can expect high-quality care when they are treated there, but I also believe that what those staff want from the Government is less insistence on inflexible targets imposed from the centre and much greater trust in the professionalism and skill of the staff at the front line to deliver the care that they have devoted their working lives to providing.

6.8 pm

Anne Milton (Guildford) (Con): I realise that time is short, but I should like to refer to three issues in my constituency, one of which has been mentioned already by the hon. Member for Hastings and Rye (Michael Jabez Foster), who is no longer in his seat, and it is "Creating an NHS fit for the future"—a consultation document released by the strategic health authority in my constituency. I am slightly staggered that anyone could possibly believe that that document is entirely the responsibility and in the ownership of the SHA.

In my view, that document has been produced in response to pressure from the Government to make substantial savings. Without doubt, the document will put the Royal Surrey county hospital in Guildford at serious risk. There is no doubt that services will be reduced. There are rumours about maternity services and paediatrics, and reductions in the provision of accident and emergency services are also on the cards. What is distressing to my constituents is that there is no doubt that their health will be put at risk. At a recent public meeting that I and my hon. Friend the Member for South-West Surrey (Mr. Hunt) organised, it was clear from the concerns of the clinicians, the GPs and other doctors that lives will be on the line if there is any downgrading of accident and emergency care.

Another point about accident and emergency departments that is sadly often overlooked is that when they are downgraded, it is often downgrading by stealth. When accident and emergency departments shut, the services that sit behind them fall as well, like a line of dominoes: research opportunities fall, as does much of the acute work taken on by the hospital, and that hospital's ability to attract staff is greatly diminished.

Another issue that I want to raise is the funding formula. Many references have been made to the loss of hospital services in various constituencies, but I wish to draw attention to the funding formula that we are all subjected to in order to get our NHS budgets. It is commonly believed by the Government that a lot of the financial problems are due to poor management. However, I draw the Government's attention to work done in Suffolk, and in Plymouth by Professor Asthana, which suggests precisely the opposite, which is that constituencies such as mine, which are essentially rural and slightly more affluent than most, are being chronically underfunded—so my constituents' health is not worth as much as the health of those in constituencies such as the Prime Minister's.

Let me briefly mention another issue that is of huge concern to many of my constituents in places such as Hurtmore, Eashing and Shackleford, as well as to a wider population: the inclusion of Eashing farm in a draft minerals plan. Let me explain what is sad about such issues: because this site has been included in a draft minerals plan, residents will be facing blight for the best part of two or three years, while waiting for a decision finally to be made. The area I have mentioned is close to a site of special scientific interest, and there will be increasing amounts of traffic and a significant impact on the local hydrology and the flow of spring water. There will also of course be noise and vibration from the extraction and associated activity; and then at the end, what will be put in the huge hole that remains? That draws attention to a problem that many of my constituents face: they feel completely powerless to have any impact on the decision making. They are faced with this tremendous blight on their homes, and they can do nothing about it.

In my constituency, people's faith in consultation is running very thin. We have recently had decisions to close community hospitals. Decisions have been made to close the day hospital at Cranleigh, beds at Cranleigh, and the rehabilitation centre at Milford; 94 per cent. of people said that they did not want that option to go ahead, but—lo and behold—that is the option that goes ahead.

As ever, planning issues generate a huge number of concerns, which I am sure many of my hon. Friends share. Such issues include mobile phone masts, town cramming and overdevelopment of back gardens. Another issue that has not been stressed as often as some others is the cumulative effect of planning applications. There are areas to the north of Guildford where the roads are actually quite narrow and each year, bit by bit, there is planning creep; more and more applications come in, and ever more of them are accepted. There is exponential growth in that area, without the infrastructure to cope. We now have a situation in which motorists are mounting the pavements and are putting children walking to school at risk. That draws attention to the fact that local people want to have their say on planning applications. They make good decisions when given the opportunity to do so. The problem is that current planning legislation does not allow local residents to have their say.

6.15 pm

Mr. Andrew Turner (Isle of Wight) (Con): It is a great pleasure to follow my hon. Friend the Member for Guildford (Anne Milton), who commented on something that the hon. Member for Hastings and Rye (Michael Jabez Foster) said earlier. I must say that I sympathise with him in having to face these difficult headlines at a time when so much money is being put into the health service, yet none of it appears to be producing the desired effect. Of course, his accident and emergency unit is under threat because the cost of providing such a unit has risen as a result of, among other things, implementing the European working time directive and not putting enough money into the health service locally to cover doing so.

I do have a word of congratulation for the national health service and for the Government, however. They have taken account of the special circumstances of the Isle of Wight in providing a united primary care trust and national health acute trust, which will be launched very shortly. I am grateful to them for taking account of my constituents' feelings on that issue, and I wish that they would take equal account of their feelings on the shortage of dentists on the island. Some 24,000 people are still awaiting allocation to an NHS dentist, but even when they have been allocated, in two years' time half my constituents will still be without an NHS dentist. So there are some congratulations, and some pleas for the Minister to pass on to his colleagues in the Department of Health.

I want to mention two other local issues, the first of which is pet cemeteries. Members may recall that during the first Prime Minister's questions after the last general election, I raised with the Prime Minister the closure of a pet cemetery on the Isle of Wight as a result of licensing fees set by the Environment Agency, which was licensing it under the European landfill directive. I am pleased to say that the Prime Minister and other Ministers intervened. They all whizzed round, the Environment Agency got involved and it sent someone to visit the pet cemetery. Many months ago, I was assured that a decision had been reached and that everything in the garden was going to be rosy. In the past week, however, I received a written answer from the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Exeter (Mr. Bradshaw), saying that the situation had not quite been sorted out yet, but that he hoped something would be done shortly. Well, he now has until early September not to be pestered by me by means of written questions. I hope that the next time I ask him a question, he will be able to assure me that the situation has been sorted out.

The final local issue that I want to raise is concessionary fares for public transport users. I know that the Government recently introduced significant concessions for elderly people using public transport. In the run-up to the election, they introduced free local bus travel after 9.30 am, and since the election they have introduced free national local bus travel—as it were—after that time. I am pleased to say that my local authority, of which we took control in 2005 after 20 years of Liberal Democrat control, has extended that free concessionary fare so that it applies 24 hours a day, and extended it to the trains. Furthermore, it has implemented a 50p flat-rate fare for people aged under 19 who are in full-time education, so that they can travel anywhere on the island, by train or bus, for that fare.

Those are great achievements, but my real concern is that the Government seem to think that there is only one mode of public transport: the bus. I visited the hon. Member for Regent's Park and Kensington, North (Ms Buck) when she was a transport Minister, and I invited her to think about whether there should be concessions on water-borne transport, as well as on buses. She said that it was not up to her, and that the Chancellor had thought about that issue. It is clear that the Chancellor does not know that there are such things as ferries, despite living in Scotland, so no money was available in the first tranche of concessionary fares for users of ferries.

Sad to say, the Chancellor did not get the message from the Department for Transport in time for the introduction of the wider range of concessionary fares, so there are still no such fares for elderly people travelling by ferry, apart from those provided through the benevolence of the ferry operators. Will the Government consider whether it is fair that one can have free or concessionary travel on a bus, but not on equally important journeys to hospital, the shops, school, university or work if one happens to need to travel by ferry? I hope that the Minister will pass that on.

Several other hon. Members have raised my final issue, so I shall abbreviate what I intended to say. I feel most profoundly that the Minister for the Middle East sounds as if he cares about what is happening in both Israel and Lebanon. He spoke like a Minister who cared, not a Minister who was speaking in code or who sounded like the speaking clock. We have spoken of the troubles and how they were caused, and I do not wish to go into that because we have said enough about it today.

I regret profoundly, however, that the United Kingdom has lost its role as honest broker in the middle east—a role that it had redeveloped since the Suez crisis 50 years ago—largely as a result of the Prime Minister behaving like Mr. Bush's poodle and as a result of his frankly ridiculous stories about why we should invade Iraq, stories that, I am pleased to say, some Opposition Members did not believe. We are now in the terrible position of apparently simply parroting the words of Mr. Bush. Last week the Minister for the Middle East said that we should not simply call for a ceasefire. On Sunday, Condoleezza Rice said that we should be calling for a ceasefire, so yesterday the Prime Minister said that we should call for a ceasefire. That is behaving more like a parrot than a Prime Minister and leader of a serious nation.

My greatest concern is the hostility to this country that has arisen across the Arab world and, in particular, among the 1.6 million Muslims in this country. It is profoundly distressing to see people on the streets of this country defending either of the participants in a foreign war. We should not have foreign wars fought out, even figuratively speaking, on the streets of this country by adherents on either side. If people come to this country, they should expect to support what is in the best interests of the United Kingdom and its people, not what is in the best interests of the countries from which they came or the religions to which they belong. I hope that the Minister will take back to the Prime Minister the need to show more balance in the treatment of both sides in the terrible events in the middle east.

6.22 pm

Bob Spink (Castle Point) (Con): Under previous Governments no one in clinical need would be refused treatment by the NHS. But the new NHS denies treatments to sufferers from Alzheimer's disease, and it denies anti-TNF treatments to those suffering from rheumatoid arthritis and ankylosing spondylitis. This rationed NHS is becoming less humane.

[Bob Spink]

Depriving brain tumour patients of drugs that can prolong their lives condemns people to a premature death. I declare an interest as my son is a neurosurgeon. The fact that we have come so far from an NHS based on clinical judgment is evidenced by the 36 neuro-oncologists who wrote to the Secretary of State for Health to ask that two treatments—temozolomide and carmustine implants—be made available to all brain tumour patients who need them.

It may be time to ensure that the methodologies of the National Institute for Health and Clinical Excellence are based on scientific evidence and that NICE takes into account the wider economic, societal and human costs or benefits when making its decisions. Why do other countries achieve palpably better outcomes on health and associated matters? For instance, buphenorphine stops morphine being taken up by the cell receptors and helps addicts come off drugs. It is used in France, where they achieve a retention rate of 88 per cent., with only a 7 per cent. delinquent rate on follow-up. But in the UK, only 28 per cent. of drug treatment and testing orders are completed satisfactorily and reconviction rates are 80 per cent., opposite figures to those achieved in France. Why are survival rates in the UK for brain cancers so low, compared with other parts of Europe? How has Australia managed to identify 80 per cent. of its chronic hepatitis C cases, compared with only 23 per cent. in the UK? I am sure that many excellent colleagues from all sides of the House will join me in pushing the Government to review their policies on NICE.

In addition, I ask the Government to remove the uncertainty over Remploy, which is causing great concern. Although I understand that the Southend branch that employs so many of my constituents is not at risk, I hope that Ministers will make a statement—over the recess, if necessary—so that the minds of vulnerable people can be put at rest.

We must welcome the trilateral talks on Gibraltar and its constitutional reform, to which Gibraltar's First Minister Peter Caruana has adopted a very positive approach. In addition, we must praise and thank Cyprus for its contribution to the international effort on the evacuation of people from Lebanon. The UK must support both communities in Cyprus in the work to get a just settlement through the UN process agreed by Tassos Papadopoulos and Mehmet Ali Talat. That process should begin immediately and involve bi-communal discussions of all the issues. The UK must support and help Turkey in every way in its bid to join the EU, as it is probable that that will be one of the catalysts to the achievement of a solution to the Cyprus problem.

Finally, I always hoped that the UK would be able to retain its sovereignty in the EU and bring about root-and-branch reform from within, but I now accept that Sir Teddy Taylor was right all along and that I was wrong. Our rebate and national sovereignty are under threat, as waste and corruption increase in the EU as a result of the increasing failure of accounts and controls.

Nowadays, two thirds of our laws are made in Europe and not in this Parliament, but there is no proper scrutiny or democratic accountability. Therefore, I now accept that the best—the only—way forward for the UK is to withdraw from the EU. That would enable us to protect our borders better, and to generate more jobs and wealth. We would then be able to take better care of our citizens, especially those vulnerable people who, like the Remploy employees, are deeply worried about their jobs.

6.27 pm

John Barrett (Edinburgh, West) (LD): I, too, shall be brief. I want to raise several matters that affect my constituents, whose concern for people elsewhere in the world I find very heartening.

The city of Edinburgh is my home city, and that of the Deputy Leader of the House. It is hard to believe that a year has passed since the Make Poverty History marches took place there. Hopes were high and promises were made, but since then the World Trade Organisation talks have collapsed, with trade-distorting subsidies by the EU and US remaining as a barrier to helping poor countries trade their way out of poverty.

A number of constituents have contacted me about the situation in Lebanon after watching the daily television images of the conflict there. The images have been gruesome enough, but they are merely a sanitised version of what is really happening on the ground. Other hon. Members have spoken about their concerns in this debate, but my greatest fear is that Israel's policy in respect of Lebanon is the single biggest threat to its own future as a state. It cannot carry on as it has, and the Governments of the UK and the US should change their approach and put pressure on Israel. The Prime Minister says that he has a special relationship with the US President: if so, he must use it to that end.

The hon. Member for Lewisham, Deptford (Joan Ruddock) made an excellent speech, and I disagree with very little of what she said. If time permits, however, I too intend to mention the question of nuclear power.

Various hon. Members this afternoon have spoken about access to water, which is an important matter for many countries in the developing world. I am fortunate enough to be a member of the Select Committee on International Development, and we will look at the matter later in the year. We are in the middle of a long, hot summer and think that we are suffering, but I am pleased to say that many people are aware of the serious problems that arise further afield.

I am pleased that the Government have taken action on the Child Support Agency. I was elected five years ago, and hardly a week has gone by without constituents turning up to my advice surgery with serious complaints about the CSA. The shake-up will be of little comfort to their families if it is only a fanfare of Government spin and the new system does not adequately pursue the errant fathers or ex-partners who do not pay the money due to mothers and to their children.

Throughout the past year, with the support of a number of local community groups in my constituency, I have raised their problems in organising local events. They are being hampered by their battle against the red tape that stifles too many of their good efforts. I should like to go into more detail, but unfortunately time is against me.

The Chernobyl disaster occurred 20 years ago, and I want to record my opposition to a new generation of nuclear power stations and to reinforce the importance of investing in energy efficiency, microgeneration and renewable energy. There are many more things I could say, but time is against the House and I want to give other Members the opportunity to contribute.

6.30 pm

Andrew Selous (South-West Bedfordshire) (Con): I shall be brief. First, I want to mention endowment shortfalls, which a number of my constituents have raised with me. The House and the Government are not taking the issue seriously. Statistics tell us that many endowment policies will come to fruition in the next five to 10 years, and a large number of our constituents will find themselves in serious financial difficulty. The Treasury Committee should look into the matter and might encourage the industry to consider how to deal with the shortfalls. The Committee could also consider whether unclaimed assets might be used, as they should be for people whose pensions have collapsed.

My second point is that parents should choose whether their child attends a special or a mainstream school. It is outrageous that parents are forced either to keep their child in a mainstream school when they think the child would do better in a specialist school, and vice versa. Parents know their children better than anyone else—certainly better than any local education authority official. We must reach a position where parents decide on their child's school.

My third point is the need for an index of social and domestic cohesion. That sounds like a bit of a mouthful, but the House will have an opportunity to do something about it when the Bill on the Office for National Statistics is introduced in the autumn. It is a curious fact that the social exclusion unit lists eight indicators of social deprivation, one of which is family breakdown. All the other seven indicators are reflected in the indices of deprivation published in the ONS neighbourhood statistics, but family breakdown is not. There is no reason for that omission and we could rectify it in the House in the autumn. I urge my Front-Bench colleagues and the Government to consider the matter when the Bill comes before the House.

Lastly, I want to raise my concern that the Prison Service has closed the inner change programme in Dartmoor prison. We know that such programmes reduced recidivism rates from 55 to 8 per cent. in several American states. The inner change programme could have been treated like the alpha course, which runs in many prisons, but the Prison Service chose not to do so, which is a tragedy. I am unhappy about what I have learned about that case and shall raise it on other occasions, because it needs to be examined.

6.33 pm

Mr. Andrew Pelling (Croydon, Central) (Con): I want to draw attention to my local authority's campaign, which I endorse, for a fair deal for Croydon. The campaign has a cross-party basis, with the involvement of the three Croydon MPs and the parties represented in the London borough of Croydon. It may have been modelled on a cross-party campaign in the London borough of Sutton, which successfully argued for proper area cost adjustment treatment for the local authority. Indeed, so successful was that campaign that Sutton residents receive £29 a head more than Croydon residents.

Many of our troubles financially in Croydon are down to our own errors and mistakes in holding a referendum on council tax. After the referendum, we had a 27 per cent. increase in the council tax four years ago. However, the director of finance at Croydon council now predicts that a 71 per cent. increase in council tax will be required over the next four years. The situation is unreasonable when compared with that in a borough such as Ealing, which has a similar rate of unemployment, the same rate of owner occupation, the same number of council tenants and a fairly similar proportion of black and minority ethnic communities. The rate of payment is £422 per head in Ealing, but only £306 per head in Croydon. I have asked many questions over the past year about Government funding streams for Croydon and they have shown that we get a rate much below that which is available in other parts of London. We are going through dynamic change in terms of our population make-up and I hope that the fair deal for Croydon will get a fair hearing in the next Session.

6.35 pm

Bob Russell (Colchester) (LD): Until a month ago, plans were at a very advanced stage for a massive £160 million expansion of Colchester general hospital. Planning permission had been given and the general public—not to mention all those involved with the national health service locally—were looking forward to the much-needed development and facilities being provided. There were hopes last year that work would start in January this year. It did not. Then, without any notice, last month the plug was pulled. The scheme had been aborted.

It is not my intention today to engage in the blame game. What I and my constituents want is not answers relating to what went wrong, but answers relating to what the Department of Health is going to do to provide the people and town of Colchester, and the wider area of north Essex, with the hospital facilities and services that, up to last month, they had been promised, and that those responsible for the NHS at a local, regional and national level had concluded were of great necessity. Why else had so much time, effort and money been spent on taking forward an officially sanctioned £160 million expansion?

As a result of parliamentary questions that I tabled, last week it was revealed that the Department of Health has not even bothered to talk to Essex Rivers Healthcare NHS Trust, which is responsible for Colchester general hospital, about the collapse of the expansion scheme. The information that I gleaned prompted the Colchester *Evening Gazette* last Friday to publish a comment article headed "Sort this mess out now".

A senior member of staff at Colchester general hospital has used much more colourful language to express his seething disapproval of what has happened. He told me last night:

> "Senior consultants are appalled by the way in which our PFI was axed without any meaningful consultation with those who will now find themselves in a Health Service 'poverty trap'."

I am no fan of the private finance initiative to fund public services and buildings. They tend to end up costing the public purse more—mortgaging future generations with huge debts—and operate on the basis of generating profit for the private sector companies at

[Bob Russell]

the expense of public services, to the disadvantage of both those working in the public services and the public who use those services.

Colchester is growing rapidly. There are extensive residential developments not only in the town but throughout north Essex. We have a bigger population and an increasingly ageing one. The present hospital facilities are simply inadequate. There has to be expansion. The cost of the abandoned expansion has been put at £10 million wasted. Of that, about £3 million has been lost by the NHS—by the local Essex Rivers Healthcare NHS Trust and the NHS centrally—and an estimated £7 million by the private sector partner. However, it has been reported that the private sector partner will seek to recover the £7 million it has spent, which, if the Department of Health caves in and agrees, will see the total loss to the NHS being anything up to £10 million, without anything to show for it.

The situation is so serious that last week Colchester borough council registered its deep concerns, with all three political parties tabling motions on the subject. The council resolved to invite the Secretary of State for Health

> "to share urgently with the people of north-east Essex her alternative strategy for delivery of the expansion of their hospital and the development of local cancer services within the timetable originally envisaged."

There are real fears locally that unless cancer services are centralised at Colchester general hospital, as had been agreed, many of those services will be transferred to other towns. An urgent assurance is therefore sought that the promise of improved cancer treatment services centred on Colchester general hospital will be delivered. There is, however, a sliver of a silver lining to the dark cloud, because scrapping the privately funded £160 million expansion will save taxpayers from a financial millstone. They would have had to foot the bill over the next 30 years.

The big issue now is what happens next. We have to make up for four years of time and effort that has been wasted on the costly PFI adventure, and to seek funds directly from the Government to pay for the developments that have been identified as being required. For decades, under successive Conservative and Labour Governments, residents of Colchester and north Essex have received less than their fair share of NHS funding. In 2001, after two years of local debate, the then Secretary of State for Health approved a £2.4 million grant for the local trust to embark on the Government's recommended and approved PFI process to obtain the finances to underpin a truly centralised and modernised service.

Time is against me, but let me just conclude with the comments of my source:

> "If the Government had the wit of a potato it would see the obvious and step back from destroying the fabric and function of the NHS. Our patients deserve better than what is on offer. Patient choice under this administration seems to come down to 'take it or lump it'."

It is to be hoped that the Department of Health will do the decent thing and fund the £160 million expansion that, as has been proved, is clearly needed at Colchester general hospital.

6.39 pm

Mrs. Theresa May (Maidenhead) (Con): We must have had a record number of speakers and a record number of issues raised in a summer recess Adjournment debate. I start by referring to the comments made by the hon. Member for Weaver Vale (Mr. Hall) about our former colleague, the late Kevin Hughes. He was indeed a decent and hard-working Member of the House, and our thoughts are with his family and friends.

It is not surprising that a large number of speeches were about the health service. The debate was kicked off by the right hon. Member for Leicester, East (Keith Vaz), who bemoaned the cut in funding for hospital redevelopment in his constituency, and he particularly mentioned Leicester general hospital, which will not get the money it was expecting. That theme was continued by a number of hon. Members, including my hon. Friend the Member for Castle Point (Bob Spink), who referred to the lack of provision and the rationing of treatment, particularly for Alzheimer's and rheumatoid arthritis. As a patron of the National Rheumatoid Arthritis Society, I share his concerns on that point.

My right hon. Friend the Member for Penrith and The Border (David Maclean) mentioned the uncertain future of community hospitals, and my right hon. Friend the Member for Tonbridge and Malling (Sir John Stanley) echoed what he said, pointing out that many community hospitals have provided excellent care but face an uncertain future. That is a problem not just in Cumbria or Kent, but across the country, as many community hospitals are under threat. Although the Government have offered capital funding for community hospitals, the issue is not capital but revenue. As Jim Hacker found out, there is not much point in building a new hospital if one cannot treat the patients. The hon. Member for Harrogate and Knaresborough (Mr. Willis) echoed some of those concerns in his references to boom and bust in the health service.

Concerns about the health service were shared by the hon. Member for Colchester (Bob Russell)—at least I think he was talking about the health service in that amazing display of fast talking. From what I gathered, in his area, too, there is a hospital development that is now not being funded. My hon. Friend the Member for Guildford (Anne Milton) talked about the Government's need to accept the impact of their policies at grass-roots level. My hon. Friend the Member for Tiverton and Honiton (Angela Browning) mentioned the specific problems of oxygen supply—like many other hon. Members, I have received complaints from constituents about that, as many people have been left in considerable difficulties as a result of the way in which the Government let the contract.

My hon. Friend the Member for Aylesbury (Mr. Lidington) spoke in measured terms about the report published yesterday on the outbreak of a deadly infection in Stoke Mandeville, which led to 30 deaths. He also drew attention to the need for clinical decisions to take priority over Government targets, and I understand that that theme runs through the report.

There was a note of praise for the health service—my hon. Friend the Member for Isle of Wight (Mr. Turner) was grateful to the Government for listening to local people in relation to the arrangements for the Isle of Wight primary care trust, but he pointed out—as he has assiduously in a number of debates, and in other ways in the House—the problem of the lack of access to dentists for many of his constituents. That problem is echoed in many constituencies across the country.

The most amazing contribution on the health service was made by the hon. Member for Hastings and Rye (Michael Jabez Foster), who seemed to say that everything was fine and the problem was just the media, despite the fact that he has a petition with 20,000 signatures complaining about potential cuts in health services in his constituency. That suggests that there are problems there, rather than their simply being raised by the media. Jobs are being cut; we are not simply talking about headlines. He asked, in so many words, where all the money has gone. He said that many of his constituents felt that lots of money had gone into the health service—indeed it has—but in many areas the money is not being spent on improving care. In many areas hospitals are under threat of loss of services or, indeed, closure. What I thought was amazing about the contribution was that the hon. Gentleman ignored the fact that many of the cuts are a direct result of Government policy. It is the constant structural change, bureaucracy and targets that are wasting so much money and taking it away from where it should be spent, on improving patient care.

It is not surprising that many hon. Members referred to the middle east. My hon. Friend the Member for Bosworth (David Tredinnick) spoke with passion about his view of the response of the international community. The hon. Member for Hackney, North and Stoke Newington (Ms Abbott) who, sadly, contributed to a recess Adjournment debate and is not present at the end of it, focused on the plight of civilians who bear the brunt of hostile action. The hon. Member for Teignbridge (Richard Younger-Ross) spoke about the crisis, as did the hon. Member for Lewisham, Deptford (Joan Ruddock), who was concerned at the Government's position—an issue raised by my hon. Friend the Member for Isle of Wight as well. Many of us were concerned at the Prime Minister's reported stance in discussions with the US President at the G8 summit, where he appeared to be willing to follow in the wake of the United States.

My hon. Friend the Member for Tiverton and Honiton made a crucial point when she spoke of our need to provide proper resources for our troops. We send men and women out to fight on our behalf. It is only right that we should provide them with the resources necessary to do the job.

Development issues, particularly garden grabbing, were highlighted by the hon. Member for Sutton and Cheam (Mr. Burstow) and by my hon. Friends the Members for Beckenham (Mrs. Lait) and for Guildford. The hon. Member for Teignbridge also mentioned planning design standards and affordable housing, especially as it affects certain rural areas.

Economic issues were discussed by a number of hon. Members. We had an interesting history lesson from the hon. Member for Hartlepool (Mr. Wright) on the past development of the city. He promoted Hartlepool as a tourist venue, and I wish him all the very best in encouraging greater numbers of tourists to visit it. I congratulate those who worked to ensure that Hartlepool will be the venue for the tall ships in the future.

My right hon. Friend the Member for Penrith and The Border made his customary impassioned plea for the economy of Cumbria, with particular reference to the plight of dairy farmers, and the interests of his constituents and others in Cumbria in relation to the continuation of the nuclear power plant in Cumbria and the value of Sellafield to the economy.

The hon. Member for North Swindon who, I am afraid, also contributed to a recess Adjournment debate and is not in his place at the end of the debate, addressed an aspect of the economy—the need to ensure that we apply science to improve our competitiveness. His point about the low numbers taking maths post-16 was well made.

Another spirited performance came from my hon. Friend the Member for Ribble Valley (Mr. Evans), who promoted the interests of his constituents in relation to the A59, and also promoted the future of the joint strike fighter aircraft.

The hon. Member for Weaver Vale raised four separate matters in his contribution. He spoke about the impact on the health of those living where buildings have been built on landfill sites, which is a concern in my constituency where development is proposed on landfill sites. The hon. Gentleman mentioned the problems of wheel clamping which, sadly, have not gone away as a result of the Government's Act. As he noted, there is a still a lack of information for people about their own position. He also referred to the lack of access to the court register, a valid point that I hope the Deputy Leader of the House will take up. The hon. Member for North Swindon has come into the Chamber. I therefore apologise for my previous remark. Sadly, he missed what I said about him in other respects, but it is good of him to turn up eventually. The hon. Member for Weaver Vale also spoke about the hopes of the Daresbury research centre for the future work there. I know the impact that the decision about the location of the diamond synchrotron in Oxfordshire had on his constituency, so I wish him the best in his campaign.

The hon. Member for Plymouth, Devonport (Alison Seabeck) spoke with passion about her constituent caught up in the confusion of our citizenship laws, and also raised the need for funding for research on aspects of obesity. The hon. Member for Belfast, East (Mr. Robinson) spoke about the changes that have taken place in regiments in Northern Ireland, and rightly paid tribute to the commitment and gallantry with which members of those regiments serve in our armed forces. The hon. Member for Sutton and Cheam mentioned temporary event notices. We raised the issue with the Government on many occasions last year. They are the worst of all worlds. Not enough TENs are issued for most village halls, churches and schools to be able to do what they want to do, yet a loophole enables pubs to get round the conditions.

The hon. Member for Edinburgh, West (John Barrett) was right to raise the issue of the collapse of the world trade talks, which should be of concern to us all, particularly those campaigning for the interests of developing countries, and the poor in those countries. He also referred to the Government's action on the CSA. Sadly, it is rather less action than the Government were spinning in their headlines yesterday, and I fear that many families will be disappointed.

My hon. Friend the Member for South-West Bedfordshire (Andrew Selous) gave his usual

[Mrs. Theresa May]

thoughtful contribution, highlighting an issue that will be of real concern in future—endowment shortages. He also spoke, as he has done on other occasions, about the need for parents to have the right to choose where their children with special needs should be educated. I was interested in his index of family cohesion. My hon. Friend the Member for Croydon, Central (Mr. Pelling) spoke up for a fair deal for Croydon.

Throughout, a wide range of concerns have been raised; more than I have ever heard raised in a recess Adjournment debate before. I hope that the Government will listen seriously to the points and recognise the common thread that has run through so many of the contributions. The Government are wasting so much of our taxpayers' money and people sadly feel powerless as the Government ignore local views and fail to understand the impact that is caused by their policies.

Madam Deputy Speaker, I wish you and all right hon. and hon. Members a very happy summer recess.

6.51 pm

The Deputy Leader of the House of Commons (Nigel Griffiths): I have had the pleasure of listening to all 27 contributions in the debate and I shall respond to as many as I can, note the comments that I do not respond to on the Floor of the House, and draw them, where appropriate, to the responsible Minister's attention.

I am grateful to my right hon. Friend the Member for Leicester, East (Keith Vaz) for raising the hospital question and highlighting the £500 million of additional expenditure that is going in, and I am sure that his neighbour and colleague, the Secretary of State for Health, will be aware of the issues that he has raised. In respect of his constituent whose conviction was quashed, I hope that he is seeking a meeting with the Minister. I understand that he has already raised the matter. I shall certainly make inquiries about the outcome of that. In respect of the compensation to a UK citizen who has business interests in the Lebanon, again I will ensure that his concerns are noted.

There were widespread concerns throughout the House about what is happening in Lebanon. The Foreign Secretary and the Minister for the Middle East were at the Dispatch Box earlier today and explained our concerns unequivocally. The route that Israel has embarked on is folly in failing to target properly those Hezbollah bases, missiles and training camps, and by causing unnecessary suffering to civilians, including children, and also, as the Minister said earlier, unnecessary damage to the infrastructure that does not appear to be connected to the terrorist activities. I do not believe that Israel has done itself a good service in its reaction. Indeed, it has probably lost friends. Like all hon. Members, I unreservedly condemn Hezbollah. Its actions have been evil. To send off missiles into civilian populations indiscriminately by way of retaliation beggars belief, is completely unjustifiable and is provoking Israel beyond endurance.

The hon. Member for Sutton and Cheam (Mr. Burstow) raised a number of issues, including temporary event notices. I and the Government expect the local authorities responsible for licensing to use their powers to the maximum to ensure that where the lives of local residents are being disrupted, they take action, whether through noise abatement enforcement or other powers. There are powers to close premises where temporary events are taking place and where disorder and public nuisance issues arise.

My hon. Friend the Member for Weaver Vale (Mr. Hall) mentioned an issue that affects his constituents and others—the possible previous contamination of sites and the right of people to make what he called an informed choice. I shall certainly ensure that his message is reinforced with my ministerial colleagues. He mentioned a number of other important issues, including the way in which we treat the convictions of people who are mentally ill. Indeed, a Bill is being prepared at the moment, and I hope that it reassures the public on that issue.

With great diligence, the right hon. Member for Penrith and The Border (David Maclean) always raises the problems of rural farmers and of dairy farmers in particular. He mentioned a fact that may surprise hon. Members—Cumbria is the slowest growing part of an economy in the EU—and my hon. Friends would like to see the evidence to which he referred. He called for massive intervention and wants assisted area designation. I am not sure whether assisted area designation will be granted, but no one will put the case more forcefully than him. He also voiced his strong support for nuclear power and Sellafield and discussed the issue of community hospitals. While commending the Government on the £750 million allocated to community hospitals, like many hon. Members he voiced concerns about the provision of hospitals locally.

My hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) spoke for many of us in her views on the present conflict in the middle east. She condemned the neo-cons, and I have some sympathy with that. I thought it disgraceful that Pat Buchanan could call for the assassination of an elected president in south America. He is not the sort of person who should be granted the right to come to Britain until he completely rejects such dreadful views. She also discussed nuclear power and Trident, both of which will be subject to intense debates, and votes, in this Chamber.

The hon. Member for Tiverton and Honiton (Angela Browning) spoke about the problems with public service contracts. She mentioned the issue of oxygen cylinders, of which I am aware. There are a number of contracts, and my ministerial colleagues in the Department of Health are actively ensuring that officials monitor all contracts to ensure that the sort of problems raised by her and by another hon. Member are tackled, so that the provision reaches the best of the providers and not providers that are less than adequate for meeting the needs of her constituents and others. She mentioned the important issue of equipment for the armed forces, and I am sure that all Ministry of Defence Ministers monitor that matter with great care.

On the same subject, the hon. Member for Belfast, East (Mr. Robinson) mentioned the honourable role played by former members of the armed forces in policing, which, as he said, should be recognised. I understand that my ministerial colleagues are examining that matter in response to his representations and others.

My hon. Friend the Member for Plymouth, Devonport (Alison Seabeck) highlighted a key problem involving her constituent and I shall ensure that the matter is drawn to the attention of colleagues, because it seems most unfair.

The hon. Member for Harrogate and Knaresborough (Mr. Willis) praised his health authority and highlighted some problems. I am aware of many of the issues because I have been studying a few of the reports in the past week, such as, "Learning the lessons from financial failures in the NHS", which highlights the 25 trusts that are responsible for 70 per cent. of the overspend. Those trusts show a catalogue of mismanagement and poor financial control.

The right hon. Member for Tonbridge and Malling (Sir John Stanley) mentioned his local problems. I refer him to a fairly damning report by PricewaterhouseCoopers on his own trust, which highlighted the mismanagement and problems there. It is important that all Members read those reports and find out, if their health trusts are listed there, what they should be doing to address the problems—

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

ROYAL ASSENT

Madam Deputy Speaker (Sylvia Heal): I have to notify the House, in accordance with the Royal Assent Act 1967, that Her Majesty has signified her Royal Assent to the following Acts:

Compensation Act 2006

Commissioner for Older People (Wales) Act 2006

International Development (Reporting and Transparency) Act 2006

Government of Wales Act 2006

Northern Ireland (Miscellaneous Provisions) Act 2006

PETITIONS

NHS (Oxfordshire)

7 pm

Tony Baldry (Banbury) (Con): Several weeks ago, my hon. Friends the Members for Wantage (Mr. Vaizey) and for Daventry (Mr. Boswell) and I presented a petition of many thousands of signatures on the NHS in Oxfordshire, being particularly concerned that Oxfordshire receives the lowest funding for treatment per patient and declaring that the blatant discrimination in the funding system for the NHS is not fair. Since then, I have received approximately 1,500 more signatures to the petition. As those people's views are equally valid, I wish it to be recorded that they present a petition wishing also to have their views noted.

The petition states:

The Petitioners therefore request that the House of Commons calls upon the Government to urgently review the funding system for the NHS in England and Wales, to introduce fairer funding for the whole NHS, and to stop staff, patients and families in Oxfordshire and other parts of the country being penalised.

And the Petitioners remain, etc.

To lie upon the Table.

Luton Airport

7.1 pm

Mike Penning (Hemel Hempstead) (Con): I should like to present a petition on behalf of my constituents to share their concerns at the expansion of Luton airport, which I share.

The petition states:

To the House of Commons,

The Petition of residents of Hemel Hempstead constituency,

Declares that the Operator's "Master Plan" for Luton Airport must be rejected because:

It goes far beyond the options on which the Government consulted, since it involves two runways, not one, and extra terminal increasing the scale and capacity;

The Government's own calculations show it is the least cost effective location;

It is the only option without a direct rail link to the airport, so most of the 30 million would arrive and depart by car;

It is closed by bad weather more than any other London airport;

The airspace overhead is more crowded;

It is nearest a built up area;

It would involve building on a large swathe of green belt land.

The Petitioners therefore request that the House of Commons urge the Government to ensure that Luton airport remains a medium haul, medium sized airport and to refuse permission for plans to make it second only in capacity to Heathrow.

And the Petitioners remain, etc.

To lie upon the Table.

Hemel Hempstead Hospital

7.4 pm

Mike Penning (Hemel Hempstead) (Con): I wish to present a petition, which was signed by 6,718 constituents who have grave concerns about the future of the Hemel Hempstead hospital and the closure of acute services, especially the closure of the award-winning Hemel Hempstead birthing centre.

The petition states:

To the House of Commons.

The Petition of residents of the borough of Dacorum and others

Declares the Petitioners' serious concerns about the plans of West Hertfordshire Hospital NHS Trust to cut health provision, including the removal of acute services from Hemel Hempstead hospital and the closure of the birthing unit.

The Petitioners further declare that the cuts are aimed at generating financial savings and are not based on clinical expertise or need.

The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to use her powers to reverse the proposed plans and to visit Hemel Hempstead hospital at her earliest opportunity to address the concerns of the residents.

And the Petitioners remain, etc.

To lie upon the Table.

Asbestos Waste Storage (Essex)

7.5 pm

Bob Spink (Castle Point) (Con): I wish to present a petition on behalf of my constituents railing against an asbestos site. I have presented previous petitions on the subject and I have another with 250 signatures. The

[Bob Spink]

petitioners especially wanted the House of Commons to receive their petition. They claim that the storage of hazardous asbestos waste would introduce unacceptable risks to residential properties and a school that is near the plant, that it would put local roads under increased pressure and risk, and that there are far more appropriate sites for that activity in Castle Point and in Essex generally.

The Petitioners therefore implore the House of Commons to call upon the Government to do all within its power to ensure that Essex county council reject the application as requested by the Member of Parliament for Castle Point.

And the Petitioners remain, etc.

To lie upon the Table.

Road Safety (Leicester)

7.6 pm

Keith Vaz (Leicester, East) (Lab): I wish to present a petition that has been co-ordinated by Peter Price of 2 Birkdale court, 189 Evington lane, Leicester about the speeding of traffic along Evington lane, which is causing enormous concern to local residents and me.

The petition states:

The Petitioners vigorously oppose the excessive speeding along Evington lane from the village to the junction of Wakerley road.

The Petitioners therefore request that the House of Commons urge the Government to ensure that speed notification signage is erected at appropriate points, a pedestrian crossing is created near Hawthorn drive and speed monitoring equipment is installed without delay.

And the Petitioners remain, etc.

To lie upon the Table.

Lewsey Road Occupational Therapy Workshop

7.7 pm

Andrew Selous (South-West Bedfordshire) (Con): I wish to present a petition signed by some 367 constituents, many of them stroke patients and their carers. They are most upset by the closure on 23 June of the Lewsey road occupational therapy workshop in Luton. They tell me that they were given only two weeks' notice of the decision.

The petition states:

To the House of Commons.

The Petition of the residents of South Bedfordshire and others

Declares that the Petitioners object to the closure on 23 June of Lewsey road occupational therapy work shop for stroke patients and others.

The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to intervene on the Petitioners' behalf with Luton and Dunstable hospital and the Bedfordshire and Luton Mental Health and Social Care Partnership Trust to reopen the Lewsey road occupational therapy work shop, which is an important facility for stroke patients and others.

And the Petitioners remain, etc.

To lie upon the Table.

Conquest Hospital

7.8 pm

Michael Jabez Foster (Hastings and Rye) (Lab): In the living memory of the constituents of Hastings and Rye, there has always been an accident and emergency department in the constituency, but it is now under threat. Consequently, Mr. John Baker, Mrs. Margaret Baker and the Friends of the Conquest hospital have produced a petition, which I am happy to present. With the help of the *Hastings & St. Leonards Observer*, some 20,200 names have been added.

The petition states:

The Petition of John Baker, Chairman of Friends of the Conquest, and others,

Declares that the residents of Hastings and Rother, in the 60th year of the NHS, appreciate the services delivered at the local Conquest hospital.

The Petitioners therefore request that the House of Commons urge the Government to direct health authorities to ensure that any reorganisations will not involve the downgrading of existing services at the Conquest hospital or in any way compromise the accident and emergency service now provided.

And the Petitioners remain, etc.

To lie upon the Table.

Roseneath and Lea House Residential Nursing Homes

7.9 pm

Mr. William Cash (Stone) (Con): I have the honour to present a petition in respect of the proposed closure of Roseneath and Lea House residential nursing homes, in the name of Mr. Robert Hall. There are 2,100 signatories to the petition, and they condemn the proposed closure of the said residential nursing homes.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled.

The Humble Petition of the residents, family and staff of the Roseneath residential nursing home in Stone and Lea House in Madeley,

Sheweth that the Petitioners object to the proposed closure of Roseneath and Lea House residential nursing homes.

Wherefore your Petitioners pray that your honourable House will urge the Government and Staffordshire County Council to hold a comprehensive consultation and reconsider plans to close Roseneath and Lea House residential nursing homes.

And your Petitioner, as in duty bound, will ever pray.

To lie upon the Table.

Bevin Boys

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

7.10 pm

Mr. Kevan Jones (North Durham) (Lab): I want to start by saying how pleased I am to have secured this Adjournment debate to raise the plight of the Bevin Boys. Before I turn to the main part of my speech, I should like to pay tribute to my hon. Friend the Member for Ochil and South Perthshire (Gordon Banks), who has campaigned assiduously on this issue since he entered the House. I should also like to congratulate the *Sunday Express* on its campaign on behalf of the Bevin Boys, the forgotten heroes of the second world war.

In 1943, this country faced a crisis in coal production that put our ability to win the second world war in jeopardy. More than 36,000 miners had left the mines to fight for their country, and our coal reserves had fallen so low by the end of the year that we were down to less than three weeks' supply. The Government made pleas to volunteers to enlist for mine work, but, unfortunately, they raised very few recruits. When the shortage reached a crisis in December 1943, the then Minister for Labour and National Service, Ernest Bevin, decided that a certain percentage of draftees would be directed into the pits to make up the manpower shortage. Speaking at a conscription meeting in 1943, he said:

> "We need 720,000 men continuously employed in this industry. This is where you boys come in."

That is how the term "Bevin Boys" was born.

Chosen at random from among the conscripts, nearly 48,000 Bevin Boys were drafted into the pits in the United Kingdom, and, after 1943, 10 per cent. of all conscripts between the ages of 18 and 25 were picked for service in Britain's coal mines. To make the process random, one of Bevin's secretaries would pull random numbers from a hat. All the men whose draft numbers ended in those digits would be sent to the coal mines, with the exception of those who were in highly skilled occupations.

This random process resulted in people being picked from a whole array of professions, from desk jobs to manual work. Among the Bevin Boys who subsequently became famous were Jimmy Savile and Eric Morecambe. While I was researching the subject today, my hon. Friend the Member for Tynemouth (Mr. Campbell) told me that his father, Albert Campbell, had been a Bevin Boy. He is still alive and living in Consett, and I would like to pay tribute to his efforts on behalf of his country during the second world war as a Bevin Boy.

Those young men were sent into many of the pits across the United Kingdom. In Chester-le-Street, in my constituency, a famous Bevin Boy was Jock Purdon. Jock married and stayed in Chester-le-Street after the war, and worked in the pits digging coal in 3 ft seams with water up to his knees. His experiences in the mines shaped his poems and songs, and led to his being known as "the miners' poet". His famous "Bevin Boys Lament" was put together in the Plough public house next to Pelaw pit in the 1940s.

Before working in the pits, the Bevin Boys would be given six weeks' training. In some cases, however, there is documentation showing that that training period was cut down to six days. It was physically hard work with long shifts and dangerous conditions. Bevin Boys did not wear any uniforms or badges but the oldest clothes that they could find. All that they were given were helmets, steel toecap boots and accommodation that came to be known as Bevin huts. Being of military age and without uniform caused many Bevin Boys to be stopped by the police and questioned about avoiding the call-up. They were also loathed in many areas by service personnel who thought that they were conscientious objectors—a misconception that, alas, continues today.

It must be emphasised that these young men were conscripts—none was a volunteer—and were made to work in the pits of the UK, just as their friends were conscripted into the Army, Navy and Air Force. Their pre-conscription employment was not protected, and those injured were not eligible for pensions as they were considered civilians. They did not get travel warrants to travel home, nor did they use the NAAFI at railway stations or any other comforts open to servicemen. More importantly, many of them continued working in the pits right up until 1948, long after many of their compatriots who had been in the armed forces had been demobilised. Clearly, this is an issue for the Ministry of Defence, not the Department of Trade and Industry, as these men were conscripts, and would not have worked in the mines unless the Government of the time had conscripted them to do so.

It is nearly 60 years since the Bevin Boys were demobilised, and those conscripted to work in the pits are now old men. There is little that we can to do to right the wrongs that occurred during and immediately after the war. I hope, however, that we can agree on three points: first, that these men were treated badly during and after their service; secondly, that they carried out a vital role in the fight against fascism and made a vital contribution to securing the freedoms that we take for granted today; and, thirdly, that their efforts on behalf of the nation should be recognised.

This Government have an excellent record in honouring service veterans. We have had veterans day and veterans badges, which have been warmly welcomed up and down the country. Last month, I attended an excellent veterans day event in Chester-le-Street in my constituency, and saw the pride with which many of the veterans present received their badges. It is sad that the Bevin Boys have been left out, and I hope that the Government can put that right.

I know that Ministers, especially those at the Ministry of Defence, do not necessarily like to make decisions that have no precedent or that may be seen to set unhelpful new precedents. I therefore have news for the Minister. He recently launched the merchant seafarers badge of honour—the veterans badge for those who served in the merchant navy at any time up to 31 December 1959. I hope that a similar badge can be presented to the Bevin Boys.

When Ernest Bevin made his famous speech in 1943, in which he said,

> "that is where you boys come in",

[Mr. Kevan Jones]

he also said:

> "Our fighting men will not be able to achieve their purpose unless we get an adequate supply of coal."

We were able to secure adequate coal supplies, and our fighting men were able to achieve the purpose of defeating fascism. It is right to recognise the fight of men and women, through Remembrance Sunday, veterans day and the excellent veterans badges. It is now time to pay a similar tribute to the Bevin Boys, without whose service and sacrifice we would not have been able to defeat fascism in those dark days of the second world war.

7.19 pm

Gordon Banks (Ochil and South Perthshire) (Lab): I thank my hon. Friend the Member for North Durham (Mr. Jones) for giving me an opportunity to speak. The House will know that I have raised the issue of the Bevin Boys on a number of occasions, and have been in regular contact with the both the Minister and the Prime Minister. I am grateful for their responses, although for me they do not solve the problem.

I want to say something about the recognition that the Bevin Boys have been given so far. There was absolutely nothing until 1995, when they were honoured by a reference in speeches by John Major and by the Queen. There have been two more instances of recognition, although in my opinion they did not adequately reflect the duty that the Bevin Boys gave.

My hon. Friend has already explained the role of the Bevin Boys, but it is important to stress that in the eyes of many, our Government have an unpaid debt to the survivors, and those who are no longer with us. I tabled early-day motion 1417 in, I believe, February this year, and I am delighted that 173 of my fellow parliamentarians—although, unfortunately, no SNP Members—have seen fit to join me in a campaign which, as my hon. Friend said, has been supported by the *Sunday Express*.

The Ministry of Defence has an obligation and, in my opinion, a moral duty to recognise formally that it has a debt of gratitude to each Bevin Boy on behalf of us all. As we have heard, had it not been for their efforts in 1943 and onwards we might well not be having this debate tonight, and as we have heard, their role was vital to our war effort, owing to the dwindling number of miners. These conscripts fought their own battles in the mines and on the streets of Britain, and—as we have heard tonight—they often faced attack and ridicule as draft dodgers because they had no uniforms to wear when off duty.

A fair amount has been written and spoken, not least by me, about some of the more famous Bevin Boys. As we have heard—again—they include Jimmy Savile, Lord Rix and, of course, one of Britain's funniest ever comedians, Eric Morecambe. However, I want to refer to some less famous, but no less worthy, Bevin Boys.

Fraser Neil is now 80 years old. He comes from Comrie in my constituency. He first drew my attention to the injustice delivered to the Bevin Boys, and rightly described them as "the forgotten conscripts". John Etty from Fleetwood is a life member of the Bevin Boys Association. He served from 1945 until 1948, and went on to play rugby league for Wakefield Trinity. Warwick Taylor, vice-president of the Bevin Boys Association and author of "The Forgotten Conscripts", works relentlessly to keep the Bevin Boys' lamp burning. Mr. Pearce from Harrogate has written to me, as well as other Bevin Boys such as the Booth family from Bristol, the Kilmaster family from Hanham and the Young family from Hinckley. Those are some of the families and supporters of the Bevin Boys who understand the importance of this campaign.

I want to quote from a poem by Ron Leach from Great Barr, a former Bevin Boy. It is entitled "The 'Unsung' Bevin Boys of World War Two". Let me briefly paint the picture by reciting a small excerpt:

> "Some men helped to win the war
> But never marched in lines
> A desperate Government made new laws...
> To send men down the mines.
> Into the pits these men were sent
> (Although prepared to fight!)
> A conscripted force of ten per cent.
> To work where day was night.
> From any job in any street
> To pit work they did go...
> Instead of war and marching feet
> Their 'enemy' was below."

It is a very moving poem, and I recommend it to the Minister.

Bevin Boys died for their country. In 1945, Winston Churchill asked the Minister of Labour

> "What will become of the Bevin Boys after the German war is over?"

I believe it is a travesty that, 61 years later, we are still asking the same question.

Forty-eight thousand Bevin Boys served our country, including at least one Member of this House—perhaps more. I am happy that my campaign has received the support of many surviving Bevin Boys and families of Bevin Boys, as well as that of the Mining Association of the UK, NUM Scotland, UK Coal, Scottish Coal and the current Minister for Europe, my right hon. Friend the Member for Ashfield (Mr. Hoon), whose predecessor was a Bevin Boy.

This is not a competition. Armed service veterans are valued and honoured, as is appropriate; I ask only for the same for the Bevin Boys. Members of the land army, including my own mother, are to be applauded for the work that they did in feeding a fighting nation, but they were not Ministry of Defence conscripts, and the Bevin Boys were. The same applies to miners who worked in the industry by choice, including my father, many uncles and my grandfather. Many of them found their way to an early grave by way of disaster or disease. At least they made their employment decisions with a modicum of choice; the Bevin Boys had no choice.

For anyone who wishes to get a fuller grasp of issues surrounding the Bevin Boys, I recommend two books: "The Forgotten Conscript" by Warwick Taylor, which I see the Minister has with him tonight, and "A Bevin Boy's Story" by George Ralston. When the Minister has finished reading his copy of "The Forgotten

Conscript", he could perhaps pass it on to other Ministers and officials, as it might well influence their thinking appropriately.

The Bevin Boys, sadly, are a dying breed. Many are in their 80s and in ill health. This is the time to act to honour their individual role in the second world war, and the need has never been more pressing. The old ones are the best, Madam Deputy Speaker, and you will recall that I mentioned earlier the fact that Jimmy Savile was a Bevin Boy. I urge the Government to do the right thing by these brave men rather than rely on Jim to fix it.

7.25 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Tom Watson): I begin by congratulating my hon. Friend the Member for North Durham (Mr. Jones) on securing this debate—the last but not the least before the summer recess—on the important topic of recognition for the Bevin Boys. I would like to express my gratitude to other hon. Members who have brought the matter to public attention, not least to my hon. Friend the Member for Ochil and South Perthshire (Gordon Banks), who has been a great advocate for the Bevin Boys. We all agree that although my hon. Friend has been in the House for only 18 months, he has already found a powerful voice in the Chamber, representing his constituents with great potency.

I would also like to thank two other people who helped me prepare for this evening's debate. Rather unconventionally, I would like to thank Jeremy Williams and Group Captain Barrie Thomson from my private office. Sadly, they are leaving me at the end of the week, but they have spent many sleepless nights preparing for this and other debates. I want to put on record my appreciation for their support.

I also pay tribute to the Bevin Boys Association, which works tirelessly to raise awareness and educate the wider public about the cause. The association has more than 1,800 members from the United Kingdom and overseas. Both my hon. Friends have already congratulated the *Sunday Express* on its vigorous efforts to bring the Bevin Boys to a wider audience, and I would like to add my tribute. The fact that its readers have been so enthusiastic in supporting the campaign is greatly encouraging. It shows that the contribution of all those who strove to defeat our enemies in Europe and the far east is not forgotten. There are still people out there who want to honour our veterans and the contribution that they made in their own personal way.

The matter was raised in a question to the Prime Minister on 15 February, and again in the well supported early-day motion tabled by my hon. Friend the Member for Ochil and South Perthshire earlier this year. He will know that the Prime Minister has given a personal undertaking to look into the subject. Both the Prime Minister and other ministerial colleagues are doing so.

As my hon. Friends are well aware, the Bevin Boys played a crucial role in contributing to the ultimate allied success in the second world war. They both mentioned that coal mining—essential to the war effort—was suffering from a severe shortage of manpower by 1943. In December that year, following an inadequate response to an optional scheme, Ernest Bevin, the Minister of Labour at the time, decided to select men of call-up age for the mines by conscription. The system was to some extent arbitrary: one in 10 men aged 18 to 25 were selected by means of a ballot. If the last number of their national service registration number matched one of those drawn out of a hat at the Ministry of Labour headquarters, they were destined to become conscript miners—"Bevin Boys".

If anyone thinks that the contribution of the Bevin Boys was any less than that of other forces, they should look at the release from the Minister of Labour dated 2 December 1943:

> "I want to say that the Government would not have resorted to this scheme of compulsion had it not been for the most urgent national necessity. There is no form of service which at this stage of the war is in greater need of young active recruits. Those who are chosen for transfer to coalmining will be doing their war service in a form that is as important as any, and I am sure that they will do their best to make a success of it."

Well, they certainly did that.

During those bleak years of the war, the Bevin Boys worked in the unpleasant and potentially hazardous conditions of the mines to supply Britain's coal—the driving force behind much of the war effort. Without their hard work in dangerous conditions, the struggle against the enemy would have quite literally ground to a halt.

Dan Norris (Wansdyke) (Lab): Of course the Bevin Boys' contribution was very significant, but 700,000 regular miners also contributed to the war effort, and we should not forget them.

Mr. Watson: With my family background and with my hon. Friend the Member for Bolsover (Mr. Skinner) sitting next to my hon. Friend, how could I possibly forget those 700,000 existing miners? However, the subject of the debate is the Bevin Boys, and if he will allow me, I will concern myself with their contribution.

Many Bevin Boys felt then and subsequently that their contribution to the war was misunderstood or overlooked. As my hon. Friend the Member for Ochil and South Perthshire vividly depicted in his early-day motion on the subject, some Bevin Boys suffered the experience of being regularly mistaken for draft dodgers, deserters or even enemy agents. That past neglect makes it even more important that their determined efforts are not forgotten now. If that were not bad enough, the Bevin Boys also had to purchase their own equipment, having been conscripted, which sometimes added insult to injury. So let me, in the Chamber tonight, unequivocally pay tribute to their contribution.

We tend to associate the Bevin Boys with the 21,800 men who were conscripted miners, balloted from among those called up to the armed forces. However, not all the Bevin Boys were allocated to the mines reluctantly. They served alongside some 16,000 other Bevin Boys who had opted for coalmining in preference to the forces when they were called up. A further 7,000 volunteered to work in the coalmines before being called up, and my hon. Friend the Member for Wansdyke (Dan Norris) has mentioned existing miners as well. Of course, all of them worked alongside the existing miners, and not all Bevin Boys were unwilling in their endeavours. However, whether they were there

[Mr. Watson]

by compulsion or personal choice, all of them fulfilled an essential role in their country's hour of need.

After being selected, Bevin Boys were sent to one of the 13 training collieries for a month of basic training before being sent to a colliery. They would live either in lodgings or a purpose-built hostel. As my hon. Friend the Member for Ochil and South Perthshire has mentioned, some hostels, such as the one at Oakdale, consisted of Nissen huts linked together in blocks by short brick passageways. Unlike the ordinary miners, who wore their own clothes, Bevin Boys were issued with overalls, safety helmets and working boots; but that was all that they got, and paying for their other equipment must have been quite a shock to the system.

Only a small proportion of Bevin Boys were actually employed cutting coal on the coal face, although some worked as assistants filling tubs or drams. The majority of them worked on the maintenance of haulage roads, attached and detached drams or tubs or generally controlled the movement of underground transport. Those employed on the transport of coal and other supplies were at nearly as great a risk of death or injury as those who worked on the coal faces. The continuous handling and movement of drams or tubs caused many injuries to fingers and hands and, more seriously, could result in death from being crushed under swiftly moving vehicles.

I recently had the honour of talking to Warwick Taylor, the vice-president of the Bevin Boys Association. An ex-Bevin Boy himself, he is also the author of the book, "The Forgotten Conscript", which my hon. Friend the Member for Ochil and South Perthshire has mentioned. I heartily commend it to hon. Members. It is a good read and gives a very vivid picture of life as a Bevin Boy. Mr. Taylor and I were both at the National Memorial Arboretum in June to mark national service day. It was a remarkable day in many ways and very well supported, but the biggest cheer of the day was for Mr. Taylor, when he came forward in his miner's helmet to lay a wreath on behalf of the association. I pay tribute to the work that he does in that respect. I needed no clearer demonstration of the high regard in which the Bevin Boys are held, and I therefore wholeheartedly welcome the recent inclusion of the Bevin Boys in the remembrance day service and other commemorative events around the country.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I am sure that the Minister is also aware that every year the miners gala is held in my constituency, and we always have a contingent from the Bevin Boys—sadly, a dwindling contingent. I wonder whether he could give us some indication of whether we will have some good news to pass on to the Bevin Boys next year.

Mr. Watson: Let us hope so. I pay tribute to the Durham miners. I have never actually been to the Durham miners gala, which my hon. Friend the Member for Bolsover will regard as a shameful thing. In fact, I have never been invited; I should go one of these days.

Dr. Blackman-Woods: I am very grateful to the Minister for giving way a second time. I have great pleasure in inviting him to attend the Durham miners gala next year. *[Interruption.]*

Mr. Watson: I have seized the moment, Dennis—I am not allowed to say that, am I, Madam Deputy Speaker? Anyway, all five of us Members present will have a good day out at the Durham miners gala next year.

I also share the desire of my hon. Friend the Member for North Durham that we celebrate and commemorate the Bevin Boys' contribution. The association has a powerful platform, with two national events this year alone—in Stratford-upon-Avon and the Isle of Wight—and a dozen other reunions and parades throughout the country. I asked Mr. Taylor how he would sum up the Bevin Boys in a single word and he replied, "camaraderie". These remarkable individuals were thrown together 60 years ago and have remained linked by a common bond ever since.

I can assure my hon. Friend the Member for North Durham that, as Minister with responsibility for veterans, I will take these issues into account when looking at what might be done to promote wider recognition of the Bevin Boys. I will have to do so in consultation with ministerial colleagues who have an interest in these issues, but I can say to my hon. Friends present that they have made a very compelling case for the creation of a specific badge for the Bevin Boys—a case that warrants more detailed examination. I pledge tonight to give it that, perhaps over the summer break, and to get back to them when we return later in the year.

As my hon. Friend the Member for North Durham will know, I am of an age that means that I used to write letters to Jimmy Savile, but he never wrote back to me. So although Jim never fixed it for me, perhaps, between us, we can fix it for Jim. If we do manage to create a Bevin Boys badge, perhaps we can invite him to the House of Commons and present it to him personally. I am sure that my hon. Friend the Member for Bolsover would like to be at that event to share his personal views—*[Interruption.]* What a lively evening we will have together, if Jimmy is indeed a Conservative voter.

For many years the Bevin Boys regarded themselves as "the forgotten conscripts". I hope that we can all play our part in putting the record straight.

Question put and agreed to.

Adjourned accordingly at twenty-three minutes to Eight o'clock.

Westminster Hall

Tuesday 18 July 2006

[JOHN CUMMINGS *in the Chair*]

Inter-Parliamentary Union

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Alan Campbell.]*

9.30 am

Ann Clwyd (Cynon Valley) (Lab): I advise the television cameras not to come too close. To dispel any rumours, I met the ground rapidly, which accounts for my rather strange appearance this morning.

As chair of the British group of the Inter-Parliamentary Union I want to use today's debate to raise awareness of the IPU's work, especially on human rights, and to ask parliamentary colleagues and the Government to continue to support that important work. First, I shall give some background. It is amazing that people can be Members of Parliament for many years without being fully aware of what the IPU does. I hope that many more people will join it when they realise what kind of work that is. The IPU is the international organisation of Parliaments of sovereign states and was established as long ago as 1889. It is the focal point for worldwide parliamentary dialogue, and works for peace and co-operation among people and for the firm establishment of representative democracy. To that end, the IPU fosters contacts, co-ordination and the exchange of experience among Members of Parliament of all countries.

The British group of the IPU organises incoming and outgoing delegations. In the past 12 months the British group has hosted visiting parliamentarians from a number of countries, including Lebanon, Tunisia, Croatia, Ukraine, Burundi, Bahrain and Colombia, and has organised or assisted visits to, among others, Iran, Thailand, Gabon, Peru, the Palestinian Authority and Saudi Arabia. There are plans afoot to host inward delegations in the next year from, for example, Gabon, Brazil, Israel, Japan and Moldova, and to organise outward delegations to Israel, Mexico, Albania, Egypt, the Democratic Republic of the Congo and Jordan. Only two years ago, I led the IPU delegation to Lebanon, and those of us who were present during the visit know with what great pride the Lebanese showed us the reconstruction of their country. All of us who have been watching the events of the past few days will be deeply saddened at the damage that has been inflicted on that country and its people.

The IPU deals with questions of international interest and concern, and expresses its views on such issues to bring about action by Parliaments and parliamentarians. In the past year, the IPU has considered such issues as violence against women, abandoning the practice of female genital mutilation, the role of national Parliaments, various forms of financing for development, HIV/AIDS, and women in politics. The IPU also contributes to the defence and promotion of human rights—an essential component of parliamentary democracy and development—and I shall talk in more detail about the work of the committee on the human rights of parliamentarians. The IPU also organises seminars for parliamentary human rights bodies, and we shall be holding one in October on the administration of justice.

The IPU currently has six main areas of activity: human rights, representative democracy, international peace and security, sustainable development, women in politics, and education, science and culture. More than 140 national Parliaments are members of the IPU and seven regional parliamentary assemblies are associate members. Most members are affiliated to one of the six geopolitical groups that are active in the IPU. Of course, the IPU is financed by its members mainly from public funds. Today I shall concentrate to some extent on the IPU's activities in promoting and defending international human rights, because one of its main objectives is to contribute to the defence and promotion of human rights, in the knowledge that respect for human rights underpins parliamentary democracy.

The work of the committee on the human rights of parliamentarians, which was set up in 1976 and is celebrating its 30th anniversary this year, serves as a concrete way for the IPU to protect the human rights of parliamentarians and their wider communities. Parliamentarians are given a mandate to represent the people in their countries, and to do their work effectively they must be able to carry out their mandates free from persecution, threats of violence and imprisonment and other human rights abuses. It is essential that we, as Members of Parliament, support our colleagues all over the world who are being harassed, abused, tortured, detained or even killed just for doing their work.

Often, however, the abuse of parliamentarians is simply the tip of the iceberg. If those who are well known and to a large extent protected are abused, others are often being ill treated as well, so by raising the awareness of the position of the MPs, the committee also raises awareness of the wider situation in the country in question. In addition, by actively and publicly defending parliamentarian colleagues, the committee helps to foster in many of the relevant countries an arena for public and peaceful debate and dialogue. Once the parliamentary arena is secured, that public forum can often be widened and greater protection can be extended to all the country's citizens. By working on the cases of parliamentarians who have not been able to carry out their mandates that are brought to the attention of the committee, we help to foster good governance and a climate of respect for human rights.

I have had the honour of chairing the committee internationally for the past three years, and have been a member for five years. Its working methods are not widely understood and I should like to explain them. The committee has five members, representing different geopolitical areas in the world. It meets four times a year, in private, to consider the cases of MPs who are thought to be under threat. We receive the initial complaint about the situation of a member of Parliament from a variety of sources, and the source can remain confidential if that is requested. The committee must first decide that a case is within its remit. The allegations in question are then transmitted to the authorities of the countries concerned, so that they can make their observations. We act as a channel of communication between the parties.

The committee can do much more. It can ask for information, send trial observers and organise on-site missions. I was a member of an on-site mission to Syria, where there was agreement to receive members of the

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committee to the country, but, after three days of argument, we were refused a visit to the parliamentarians in question, who were in prison. To my knowledge and that of the IPU, Syria is the only country to have done that. That deeply regrettable incident was made public at the time. I am pleased to say that the two MPs have been released in the past six months, but we have failed to get further information about their conditions and state of health.

If the authorities involved are not dealing with a case satisfactorily, as in Syria, and when the alleged abuses are of a serious nature, the committee can turn up the pressure and go public. That is when others get involved and raise awareness of MPs' cases. When I gave my report to the delegations in Nairobi earlier this year, only two countries got up to protest: Turkey and Zimbabwe. It is interesting that the person who came to protest on behalf of Zimbabwe was Mr. Mugabe's nephew.

Committee members sometimes want to comment immediately on cases that involve serious violations of MPs' rights, but we have to exercise restraint. Last week, at a meeting in Geneva, we discussed changing the rules of the committee, because it is extremely frustrating for members of the committee to give a press conference, as we did in Nairobi, and not be able to comment on various cases because they are still private. However, irritating though it is to have to sit there and keep quiet, especially to a former journalist such as myself, that method works quite constructively in that when we make representations to the relevant countries on behalf of the MPs who are in trouble, those countries are more likely to come to an agreement privately than if we had gone public and made a big song and dance about it. Many of the committee's success stories were dealt with under the confidential procedure. I cannot talk about them, but I assure hon. Members that many cases were solved with pressure from the committee.

The cases in which the committee's work—often alongside that of other parliamentarians—has been an important factor in securing the rights of MPs include those of Mr. Yorongar, the former presidential candidate from Chad; Alpha Conde, the former presidential candidate from Guinea; and Anwar Ibrahim, the former Deputy Prime Minister of Malaysia. I shall quote their words to give hon. Members a flavour of how people feel when they know that somebody else is speaking on their behalf. Mr. Jorongar said:

> "I was heartened when the IPU took up my case and its mission to Ndjamena played a decisive role in my release. I strongly encourage them to continue their efforts on behalf of political prisoners throughout the world who are rotting in dictators' jails."

Mr. Conde said:

> "I want to express my heartfelt gratitude to the IPU and salute the struggle for freedom it waged alongside us during all those years of suffering."

Mr. Ibrahim, the former Deputy Prime Minister of Malaysia, said:

> "I was held in solitary confinement in Malaysian prisons for six years and at the worst moment when my situation seemed desperate I received a note from the IPU. It revived my hopes to know that someone in a far corner of the world who cared about democracy and human rights had taken up my case."

As politicians, we are all focused on getting results. Against that yardstick, the committee is one of the IPU's most effective mechanisms. Some of the cases that it is reviewing now have been made public. In our May session in Nairobi, the committee considered 64 cases in 35 countries, many of which involved more than one parliamentarian, and held face-to-face meetings with 12 delegations. We considered seven cases for the first time. Taking into account both public and confidential cases, there are now, unfortunately, a record number of human rights cases before the committee.

Recent positive developments reviewed by the committee in Nairobi include the release from prison of opposition MP Cham Chainey in Cambodia and the ability of the Cambodian opposition to work more effectively in Parliament. Also, the committee is working with the Parliament of Burundi to ensure that the deaths of former MPs are properly examined, in the context of work that is being done to bring about peace and reconciliation there. The committee is also being helped by the Rwandan Parliament in connection with the disappearance of MP Mr. Leonard Hitimana, who disappeared in April 2003 and still has not been found. The National Assembly has submitted his case to its national human rights commission, which is now also investigating.

I wish to remind UK parliamentarians, the UK Government and the wider world about the plight of parliamentarians in certain countries. In Burma, the situation is particularly tragic. No real progress has been made, despite all our efforts to allow elected MPs to take up their mandates. If anything, the situation is worsening. Recently, a parliamentarian-elect was sentenced to a 90-year prison term, and the imprisonment of two others was extended under draconian laws. There is continuing pressure on parliamentarians elect to resign their mandates and membership of the National League for Democracy, and the authorities have totally ignored the NLD's proposal to convene the Parliament that was elected in 1990. The committee has constantly condemned that state of affairs, and has appealed to everyone to do what they can to help to bring democracy to Myanmar—Burma—and its people.

John Bercow (Buckingham) (Con): I endorse wholeheartedly what the right hon. Lady says about the appalling plight of long-suffering political prisoners in Burma. Does she agree that it might be beneficial if the IPU committee were, at some stage, either publicly or privately, to press for a second discussion of the behaviour of the Government of Burma in the United Nations Security Council, with a view to achieving the successful passage of a binding resolution instructing the regime to cease abusing the human rights of its citizens and start respecting them?

Ann Clwyd: I agree entirely with the hon. Gentleman. In fact, various people have made similar suggestions. One positive development is the setting up of the Association of South East Asian Nations inter-parliamentary Myanmar caucus, with MPs from Cambodia, Malaysia, Indonesia, Singapore, the Philippines and Thailand. The caucus has been putting pressure on the Burmese authorities and will continue to do so. I agree that all forums should be used to try to exert pressure in what is obviously a totally unacceptable situation. We know that members of

Parliament who were elected in 1990 are dying off in prison, detention or exile. A lot of pressure has been put on the authorities in Burma to release the leader of the NLD, Aung San Suu Kyi, from her continued house arrest, but we are particularly concerned about the elected politicians. I assure the hon. Gentleman that we will continue to exert that pressure.

In Bangladesh, there are two serious cases which the committee is considering. The first is that of Mr. Sha A. M. S. Kibria, who was killed by a grenade explosion on leaving a meeting in his constituency in January 2005. Although several suspects were arrested, the investigation has failed to address essential questions, and there are allegations of testimonies being obtained under torture. The investigation was closed, and the Supreme Court in Bangladesh is now considering whether it should be reopened. The committee is keen to follow the proceedings closely, and has recommended sending an observer. Grenades were also used in the second case, but Sheikh Hasina, the Opposition leader, was more fortunate. She survived the attack, which took place on 21 August 2004, during a meeting of her party; however, 25 people were killed and more than 100 maimed. An investigation has been ongoing, but sources and the authorities have different views about its results so far. A judicial inquiry commission has been set up, but its report is confidential, and not even the aggrieved parties know what is in it. In both cases, it has reportedly been impossible to raise the attacks in the Parliament of Bangladesh. Nevertheless, our committee has concluded that that Parliament has a responsibility to ensure that both crimes are properly investigated, and we have called on it to follow the investigation more closely.

The committee continues to press for a full royal pardon for Mr. Anwar Ibrahim, the former deputy Prime Minister of Malaysia. It has once more called on the Prime Minister of Malaysia to provide the King with the necessary advice so that he can consider the pardon petition that a large group of Malaysian citizens have submitted. When Anwar Ibrahim was released from jail, he came to Geneva to thank the committee for the efforts that we had made on his behalf, and the same is true of many of the people who are released as a result of IPU pressure. Other examples include MPs from Zimbabwe and the former President of Indonesia, Mrs. Megawati, who was in trouble before she became President of Indonesia, but who was able to carry on her activities because of the IPU.

Unfortunately, the committee has been unable to report any positive developments in either of the cases in Pakistan that it has been examining. Mr. Asif Ali Zardari was released on bail in November 2004. His name was struck off the exit control list and he was issued with a passport. However, he has been declared an absconder, despite the fact that the authorities know that he is receiving medical treatment abroad and he is regularly represented in court in Pakistan by his counsel. More important, the authorities have done nothing to identify and bring to justice those who tortured him in May 1999 during his interrogation.

The other case in Pakistan is that of Mr. Hashmi, who is serving a seven-year prison term, which was handed down in April 2004. The committee is concerned not only about the conduct of the trial proceedings, but about how long it is taking the courts to hear Mr. Hashmi's application for suspension of the sentence and his appeal. The committee is also worried because the information that the authorities and sources have provided about his conditions of detention is quite different, and it considers that an on-site mission would help it to gain a better understanding of the case. I found it particularly disappointing that senior legal representatives from Pakistan who come before our committee constantly tell us different stories. It is appalling that such senior officials, including attorneys-general, can come before our committee and give quite misleading statements, to put it mildly.

In Sri Lanka, the committee has been examining the case of Mr. Dissanayake, who was sentenced to two years' imprisonment for contempt of court. In early February, the President of Sri Lanka remitted the remainder of the sentence, with the result that Mr. Dissanayake was released on 17 February, several weeks before he would normally have been entitled to release on the grounds of good conduct. The committee obviously hopes that he will be fully pardoned, because, like Anwar Ibrahim, he will not be able to resume his political role unless he receives a pardon. It is therefore important that pardons are tagged on to the release in countries that have such a system.

Another case from Sri Lanka involves the murder of Joseph Pararajasingham, who was a well-known human rights advocate. He was shot dead in his local cathedral during the Christmas eve mass last year. The fact that the cathedral is located in a high-security area and additional security forces were on duty that night suggests that the murderers enjoyed the complicity of the security forces. However, the investigation has not made much progress so far. Again, the committee has stressed that the authorities have a duty to conduct a prompt, thorough and independent investigation. It also expresses concern at the potential effect of that murder on the willingness of parliamentarians in Sri Lanka to speak out on human rights issues and minority rights.

Mr. Nigel Evans (Ribble Valley) (Con): In praising the IPU's work on these matters, will the right hon. Lady also recognise the bravery of politicians in some countries, who know the hostility and danger that they will face if they speak out on human rights issues, but who are still prepared to do so, even if they face death? I feel nothing but pride and admiration towards such politicians for speaking out in the manner that they do.

Ann Clwyd: Yes—that is a good point. That is what comes over from the testimony of some politicians when they come to us in private, as happened recently in Geneva. I happened to be sitting in a room, when a member of Parliament from another country—I will not say which country—came in with a letter for me. He said, "I'm just leaving this letter. If they knew I'd come here to see you and what was in the letter, I wouldn't be safe going back to my own country." However, he wanted us to know what had happened, because when we raised his case during an interview with representatives from his country earlier in the day, they denied everything that we thought had happened. However, his letter confirmed that it had happened. There are people, even in the delegations that come to Geneva or to the IPU's annual conferences, who risk their lives just by approaching us at those conferences. The man whom I met had been tortured in custody, but the authorities denied everything that he said had happened.

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On Lebanon, there is a lot more that I should like to say, but that is not my role today. However, the committee is considering the case of Mr. Gibran Tueni, who was murdered on 12 December 2005. His assassination took place the day after his return from Paris, where he had been staying because of death threats. An investigating judge has finally been appointed by the competent authorities, and the National Assembly has initiated a civil court action.

Again, there is much that I should like to say in relation to Palestine, but I shall confine myself to saying that the Committee continues to monitor developments in the cases of two Palestinian Members of Parliament who are in Israeli jails. One is Marwan Barghouti, who was re-elected as a member of the Palestinian Legislative Council in the January 2006 elections and who continues to serve his prison sentence. The committee has great concerns about the fairness of the judicial proceedings to which Mr. Barghouti was subject. We have reiterated our desire for a committee member to pay Mr. Barghouti a private visit. In the case of Mr. Hussam Khader, a former member of the Palestinian Legislative Council, the committee observed his trial in Israel and has considerable concerns about the fairness of the proceedings. Again, the committee has stated its wish to pay Mr. Khader a private visit in prison.

In Turkey there is long-standing case, which has been made public, involving 15 former members of the Turkish Parliament who, back in 1994, were charged with separatism. The case of four of them, including Leyla Zana, is well known and has had plenty of media coverage, especially when they were released from prison in July 2004. The European Court of Human Rights has concluded that their trial failed to uphold fair trial guarantees. As a result, a review of the trial was ordered and is under way. Six of the former MPs went into exile; should they return to Turkey, they will be arrested on charges of separatism. The committee is trying to find out what grounds and facts support the separatism charge still pending against those former MPs. One former parliamentarian, Mr. Sincar, was murdered. Some time ago, the Turkish IPU group informed the committee that several persons have been brought to justice for his murder, but we failed to receive further details.

Eritrea is a country where there is great cause for concern, particularly in relation to Eritrean MPs. Since September 2001, 11 MPs have been languishing in jail and their fate has largely been forgotten. No one knows where they are held or even whether they are still alive and they have never been brought before a judge. They were arrested after the publication of an open letter in which they called for democratic reforms. The Government state that they committed crimes against the sovereignty, security and peace of Eritrea during its war with Ethiopia and that they can therefore be tried only once the peace process has been completed.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The right hon. Lady is giving moving accounts of individual cases. For some countries, there comes a time when they want something. Turkey wants to become a member of the EU, and human rights are critical to that membership. How does the IPU interact with individual Governments and with the EU in particular to try to secure the release of people in prison, these separatists who are not allowed to return to Turkey, and others who are still in jail?

Ann Clwyd: I agree with the hon. Gentleman that the human rights requirement is one of the conditions of EU membership. The situation is much improved in Turkey. I hope that Turkey will join the EU—indeed, it is imperative that it does. I have many friends in Turkey. I visited Leyla Zana, for example, when she was in prison. I was given special dispensation as an individual to go and visit her and I spent one and a half hours with her discussing her circumstances. Turkey is very sensitive to international criticism. Certainly, when I talked in Nairobi about the situation of those parliamentarians the Turkish representative could not wait to get to the platform. The Turkish delegations and I have had that conversation several times over the past few years.

I know Turkey well and I know when it is making progress. It has made progress since I was a Member of the European Parliament, as was the Minister, and my right hon. Friend knows, too, that the topic of Turkey was often raised. It is incumbent on us all to take every opportunity both to congratulate the Turks on the progress that they have made and to encourage them to make further progress. They must make further progress. The situation in south-east Turkey is still precarious. There are younger political activists now among the Kurds in south-east Turkey who will not put up with the situation. Although progress has been made on language rights, for example, the Kurds are nevertheless a minority in Turkey and deserve much improved treatment from the Turkish Government.

In the case of Eritrea, the committee has gone back to the Eritrean delegation and reaffirmed that, in our view, the human rights of the MPs in jail are being grossly violated and that nothing can justify such a violation. That is also the view of the African Commission on Human and Peoples' Rights, which concluded in November 2003 that the state of Eritrea had violated those MPs' right to liberty and security, their right to fair trial and their freedom of expression. It urged the state of Eritrea to order their immediate release and recommended that they should be compensated. The committee has put out an urgent appeal, particularly to our African colleagues, to make every effort to ensure that the recommendations of the African commission are applied and the former parliamentarians released.

We are all aware, unfortunately, of the situation in Zimbabwe. I want to highlight the cases of two members of Parliament: Mr. Job Sikhala and Mr. Abdenico Bhebe. Mr. Sikhala was tortured in January 2003 and gave a detailed statement about it to the court, which had widespread media coverage in Zimbabwe. In his official complaint, he provided names and medical certificates. Although the Zimbabwe police initially spoke of progress being made, more recently they said that there had been no progress owing to Mr. Sikhala's lack of co-operation. The committee found that hard to understand and has emphasised the duty of the state to investigate the crime with all due diligence and thoroughness. Mr. Bhebe was almost beaten to death in May 2001. He reported that to the police and provided them with the names of those responsible. When the case was to be heard in January 2005, it turned out that the case file had been lost. The committee trusts that the case file will reappear so that justice can take its course.

Six cases relating to Colombia have been made public. They raise a wide range of human rights issues. The first involves parliamentarians who were assassinated and justice, again, has not been done. The second involves a former parliamentarian who was forced into exile because of death threats. In both cases, the parliamentarians were members of the Patriotic Union party, whose members were and still are the target of what has been termed political genocide. The third case, that of Piedad Cordoba, also raises the question of impunity.

The fourth case is quite different, because it concerns parliamentarians who were kidnapped by FARC, the main guerrilla group in Colombia, and who have been in the hands of the FARC for several years. The likelihood of a humanitarian agreement has recently receded but will, I hope, be a priority of the next Colombian President. The committee has always believed that negotiation is the only way forward and that the Colombian Parliament has an essential role to play in arriving at a national consensus.

The case of Mr. Lozano, a member of Parliament and the victim of fundamentally flawed judicial proceedings, raises questions on fair trial guarantees, and the committee is in contact with the Inter-American Commission on Human Rights to help address those matters. Lastly, the case of Mr. Petro, who is also an MP, involves a number of death threats made against him by paramilitary groups, and the authorities not taking appropriate action to protect him. As do the other cases, the case demonstrates that impunity can only encourage the continual repetition of such crimes.

The cases that I have mentioned represent only a small selection of those that the committee is considering. I have thoroughly enjoyed my five years on the committee. I believe that it is worth while because one day—although I hope not—we could all be in a similar situation to our colleagues all over the world. We are lucky; we have freedom of speech and we can speak out. It is incumbent on us to do so, and I encourage all my colleagues to do so on every occasion. We can use the Floor of the House of Commons and Question Time, and we can make points of order. When we are members of delegations, it is sometimes a bit embarrassing to have to raise issues with our counterparts, particularly if we are meeting one of the countries that are responsible for violations, but it is necessary that we do so on every occasion that presents itself.

Mr. Evans *rose—*

John Bercow *rose—*

Ann Clwyd: I shall give way to the hon. Member for Ribble Valley (Mr. Evans) and then to the hon. Member for Buckingham (John Bercow).

Mr. Evans: I am extremely grateful to the right hon. Lady. On speaking out on human rights, when it was first mooted that we ought to send a delegation to Iran I was nervous, because I did not want to see any delegation from the UK giving succour to the wretched regime that operates in Iran. Does she believe that talking to parliamentarians there and raising the issues of human rights at every opportunity did some good? It appears to me that the Iranian Government got no succour from it but we have established some relationship with parliamentarians in that country.

Ann Clwyd: I heard the report from the members of the delegation when they returned from Iran, and it was fascinating to listen to because they obviously had worthwhile discussions with the Iranians. I know that the Secretary-General and others had meetings with the Iranians in Geneva the previous year to try to set up such a visit, and we found that exchange to be useful. It is worth going to listen to some of the reports that people make about their important visits. I again encourage my colleagues to listen to those when they get the opportunity. I thank the hon. Gentleman for agreeing to be a member of that delegation—

Mr. Evans: I was not on that delegation.

Ann Clwyd: Sorry, the hon. Gentleman was not on that delegation. It was very good. Particularly at these more difficult times, that kind of exchange of views with countries that we may feel very annoyed with at various times is worth while and must deflect the aggro which undoubtedly exists. Again, that is an important part of the IPU's work, and I hope that there will many similar delegations.

John Bercow: I am glad the right hon. Lady has enjoyed her five years' service on the committee. It would be safe to say that the IPU, which is an admirable organisation, her fellow parliamentarians and, above all, the victims of human rights abuses are very appreciative of the service she has given. There has been no more consistent or passionate champion of human rights over a very long period than she.

Ann Clwyd: I thank the hon. Gentleman very much. It has sometimes got me into trouble, but we must use the opportunities that we have, even if that sometimes means getting into trouble. It is important that we do so because we have a voice and platform, and we should use them. I never understand the view of people who feel negative towards this place; I consider it a great privilege to be here, and if Members do not use the opportunities it gives, they are missing a lot. I encourage my fellow MPs to stand up for the rights of their colleagues. They should do so in our Parliament, in the media and through the IPU. The information contained in the cases that the committee makes public can be used in all kinds of forums, as I said.

The Government, too, should raise the cases when meeting their counterparts abroad. Such lobbying would feed into their work on good governance. I know that we all ask questions of Governments such as, "When you met so and so, did you raise this?". The answer is usually yes, but all too often I am afraid that such issues are nowhere near the top of the list of subjects that are under discussion.

Mr. Clifton-Brown: I wholly endorse the comments made by my hon. Friend the Member for Buckingham (John Bercow) about the right hon. Lady; a great tribute should be paid to her. She has been talking about her interaction with the Government. How often does she meet Ministers to discuss these cases? What interaction does she have with other multilateral and supranational agencies, for example the EU? The IPU does a lot of work with the UN, does she meet its senior officials regularly to discuss these cases?

Ann Clwyd: I shall start with the last question. The IPU has a presence in New York and would like more interaction with the UN than it currently has—that is one of the aims of its reform programme. Obviously, I talk to my Government colleagues on a range of these issues, sometimes with more satisfactory results than on other occasions. Nevertheless, it is important to continue to push certain issues. As my colleagues know, Iraq has preoccupied me quite a bit during the past few years, and I suspect that it will continue to do so. However, it is not for me alone to do that work; it is for everybody in this place. All of us, in our various ways, can make those contributions. We can call Government to account, and, particularly when they are having bilateral meetings with colleagues from other countries, try to push human rights up the agenda.

It is a great pity that the only group on human rights in this House—the all-party group on human rights—is completely reliant on outside help. We would not have our very good parliamentary researcher were it not for the Barrow Cadbury Trust supporting us. When I consider the other all-party groups in this place and the huge sums that are available for the activities of some of them, which I shall not list because we all know them, I think that it is a disgrace that an important issue such as international human rights is not given more financial support. I shall end with that plea, and I hope that my colleagues will join in the discussion.

10.17 am

Mr. Nigel Evans (Ribble Valley) (Con): I intend to speak only very briefly, because I know that not much time is left in the debate. I congratulate the right hon. Member for Cynon Valley (Ann Clwyd) on raising the issue of the IPU and all the good work that it does. She mentioned the fact that there are a number of inward and outward delegations from the United Kingdom. The dialogue that is established between members of Parliaments is very important. It is not just about us talking to the rest of the world; we listen to what they have to say as well, because we do not have the answers to all the problems in other countries. We can learn by some of the practices operated in those countries.

I recently chaired a luncheon with the Chinese delegation that we had here. We all recognise the importance of China throughout the world now. In 50 years or less, one can only imagine what sort of status it will have in the world. Very different cultures are involved, and there are human rights issues in China as well. The death penalty in China is one such issue; I believe that its use of the death penalty is one of the highest in the world. I have issues with the way that the penalty operates in China, but it would be completely irresponsible for me then to walk away from China and say, "Well, that's it. We will not have anything more to do with you." The fact is that we must recognise the influence that China now has throughout the rest of the world and, thanks to some of the IPU visits that I have made, I have seen that influence.

I hope that the Minister will say something about those parts of the world where we have little or no representation. For example, an IPU delegation, of which I was privileged to be a member, recently visited Gabon and we co-chaired that visit from Yaoundé in Cameroon. That it is not the best way to have British representation in that part of the world, but China is there big time. There are huge issues in Gabon concerning the environment, as well as democracy, that we need to address—for example, illegal logging and China's influence. On our visit, we learned that the Chinese are responsible for building not just one but two parliamentary buildings in Gabon. We must question why we have little or no presence when other countries, such as China, are doing well there.

I was at an international conference in Tonga in the summer. We have pulled our flag down there, yet the Chinese are increasing their representation. I hope that the Minister will say something about the representation that we have throughout the world and whether pulling the flag down in a number of countries, as we have done, and lessening our representation in other countries, including Germany and the United States of America, is the best use of money.

In some ways and in some countries, it might be better if we reduced our representation rather than cutting it. I hope that the Foreign Office is looking carefully at something like a Tesco Metro appearance in some of those countries rather than no appearance whatever. With a limited and fixed budget, we shall have at least some influence in those countries, particularly with those with which we have had long relationships over centuries. To walk away after putting in huge investment over a long period is a grave mistake.

I praise Ken Courtenay and his staff in the IPU who give great support to all delegations, both inward and outward. They do a fantastic job, sometimes at incredibly unsocial hours, and must deal with all sorts of problems that arise with inward and outward delegations when huge pressure is put on them by parliamentarians of all countries. I praise their work.

The right hon. Member for Cynon Valley mentioned Colombia, which we visited under the leadership of the hon. Member for Liverpool, Walton (Mr. Kilfoyle) who did a tremendous job. The one thing we learned there was the importance of the Chevening scholarships and the fantastic work of the British Council throughout the world. Being able to visit some of those countries means that we see at first hand what it is doing on the ground. President Uribe was a Chevening scholar and when we visit such countries, we can get privileged access because of the earlier investment.

The point about the Chevening scholarships is that we tried to recognise people who would have influence at a later stage and bring them to the United Kingdom so that there would be a dialogue because they would already know what the United Kingdom was all about. My goodness, that paid dividends when we visited Colombia and met the President for an hour and a half in private audience. That was tremendous and it was superb to talk to him. He has a great fondness for this country. Again, I hope that the Minister will say something about the Chevening scholarships. I know that they have been overhauled, but I hope that they will not lose the essence of what they were all about. We look at certain countries to work out which people will have influence at a later stage and we bring them to this country so that there will always be dialogue.

Tremendous joint work was done recently at the Africa conference between the IPU and the Commonwealth Parliamentary Association. A number of parliamentarians came here from Africa. We went to the British Library over a three-day period and there was superb dialogue between members of Parliament from Africa and the United Kingdom. Going back to what the right hon. Member for Cynon Valley said, there is a huge advantage in having a private dialogue with them when they are outside their own countries because they feel more comfortable talking to us privately about some of the issues in their own countries. We can talk about those issues in relation to the United Kingdom and the democratic processes in this country, which they can see first hand. They take that back with them to their countries. I cannot overestimate the importance of our recent conference, which was a tremendous success.

Almost finally, I want to talk about the Iran trip. I am a member of the Council of Europe and when I spoke to representatives of the opposition to the Iranian regime, they told me about the public executions that take place. Two young lads were recently executed because they were accused of being gay. The photographs that appeared in our newspapers shocked every decent, thinking person. Women are publicly stoned for adultery. It is incredible that that goes on in the 21st century. When I heard that a delegation was going to Iran, I thought that it was the right thing to do. I was delighted to speak to one of the members of that delegation who said that it spoke privately to members of Parliament from the Majlis and was able to get across human rights issues so that they could better understand where we are coming from. It is not a case of just wagging the finger. The delegation spoke not to the Government but to the members of Parliament, who clearly must operate within the current regime. I take my hat off to those who are opposed to the regime but work within it to try to alter it for the better.

The visits and conferences that I have described all cost money and I understand that the IPU's budget is under pressure this year and next year. If the budget remains frozen in real terms, there will either be a cut in the number of inward delegations and what we can do when they come here or in the number of outward delegations. That will hit at the group's work. I hope that the Minister, as well as parliamentarians generally in this country, recognises the hard work that is being done. We have heard what is done in the committee work behind closed doors. Many people do not even know that that goes on. There is work in dialogue and constructive help for parliamentarians throughout the world daily. I hope that the Minister will be able to reassure us that the budget for forthcoming years will be maintained to recognise the IPU's work.

10.26 am

Mr. Wayne David (Caerphilly) (Lab): I shall also try to be brief. I congratulate my right hon. Friend the Member for Cynon Valley (Ann Clwyd) on securing this debate and on her consistent work over many years. She has championed human rights even when it has not been popular to do so and when it has been at great cost to herself.

I want to refer briefly to a visit that I made to central America under the auspices of the Inter-Parliamentary Union when I led a delegation. It was a good example of the effective work that the IPU can do on the ground to serve human rights. That visit occurred in the early part of June to two countries in central America: Guatemala and El Salvador. Visiting two countries was a useful experience in itself because we could develop a regional perspective and we saw the contrast between two neighbouring countries in central America.

In El Salvador, we found a relatively stable, democratic process. The two parties, the Frente Farabundo Martí para la Liberación Nacional and the ARENA party, which had been at war during the 1970s, 1980s and early part of the 1990s, were pursuing a peaceful democratic process and had laid down their arms. The ARENA party was in government and the FMLN was in opposition, and we thought that there was genuine determination across the political spectrum to make the peace accords of the 1990s work effectively. Of course, we saw great problems in the country—land issues, high criminality and widespread poverty—but there was great optimism and that came across clearly from everyone we met.

To be blunt, the situation in Guatemala was quite different. The country was less prosperous with less business confidence, widespread corruption and high criminality, particularly from the "maras" gangs. It was pointed out that more people in Guatemala lose their lives through crime than died during the civil war of the 1980s and 1990s. Before we went to Guatemala, the delegation had graphic briefings from Amnesty International. Its two basic concerns were the ongoing land disputes and the high level of evictions. It was concerned about the human rights abuses and the way in which peasants and rural workers in particular were being treated.

Secondly, Amnesty International was concerned about the violence against women. I would like to read an excerpt from one of its reports that graphically shows the appalling situation in Guatemala. A mother, referring to her daughter, said:

> "My 15-year-old daughter Maria Isabel was a student and worked in a shop in the holidays. On the night of 15 December 2001, she was kidnapped in the capital. Her body was found shortly before Christmas. She had been raped, her hands and feet had been tied with barbed wire, she had been stabbed and strangled and put in a bag. Her face was disfigured from being punched, her body was punctured with small holes, there was a rope around her neck and her nails were bent back. When her body was handed over to me, I threw myself to the ground shouting and crying but they kept on telling me not to get so worked up."

We had the opportunity to raise such issues when we were in Guatemala during a long discussion with President Oscar Berger. Naturally, his responses were unsatisfactory from our perspective. What came across clearly to us in Guatemala was that although the political will might have existed among decent people to get to grips with such problems, the political or civil infrastructure was not in place to do so. The police in Guatemala suffer from widespread corruption and the judiciary is both corrupt and inept. Many of the large property owners do not feel that they have a stake in the country; in fact, many live in Miami and visit the country only occasionally.

Above all else, we did not find the same commitment to democratic politics in Guatemala as we found in El Salvador. That is largely for historic reasons. During the civil war in El Salvador, it was recognised that neither side could win—neither the left nor the right, neither the FMLN nor the ARENA party. A historic compromise was therefore reached, with both sides

[Mr. Wayne David]

laying down their arms and making a genuine commitment to the peace accords and the democratic process. That did not happen in Guatemala. There the army won, and democratic politics suffered as a consequence. What political parties exist in Guatemala have shallow roots. To build up respect for human rights and to crack down effectively on criminality, there is a need to enforce democracy and the political process. That is one of the lessons that we learned, and one aspect of our international work that we must continue to pursue.

In conclusion, the example of our visit to central America shows clearly the worth of the IPU. Parliamentary democracy has a central role to play in promoting human rights. The IPU, as the international manifestation of parliamentary democracy, therefore has a crucial role to play. One the of the most telling moments that I experienced in El Salvador was when one of the members of the assembly who belonged to the left-wing FMLN said to me, "Mr. David, at one time my colleague"—he pointed to a friend of his from the ARENA party—"and I were literally trying to kill each other in the civil war. Today, although we have political differences, we are nevertheless friends in the legislative assembly." That better than anything else illustrates the importance of parliamentary democracy and the work of the IPU.

10.34 am

Mr. Jeremy Browne (Taunton) (LD): I shall speak briefly because this debate is drawing to its conclusion. I congratulate the right hon. Member for Cynon Valley (Ann Clwyd) on her introductory speech and the work that she undertakes through the course of the year on behalf of the IPU. I am a member of Amnesty International and I thought that there was a lot of overlap between what she said about work at the parliamentary level and what I am sure all hon. Members wish to promote more generally—respect for human rights and the right of every individual to live free from an oppressive state.

Certain benefits continue to make the IPU relevant, even though it was founded more than a century ago. First, it is important that Parliaments throughout the world assert themselves. People often ask me why I became a politician—they wonder what the benefits of parliamentary life are and what the role of Parliament is. They ask, "What about big business? What about the internet and the media?" However, Parliaments are still the way by which people can decide their priorities and administer their affairs in a logical, coherent and accountable manner. It is in our interests to promote parliamentary democracy throughout the world, particularly in the face of some of the alternative sources of power, which have become more prevalent in recent decades and which perhaps make the IPU even more relevant.

When I talk to constituents and others, I am struck by the increasingly international dimension to politics. The big issues that concern people who organise high street petitions in my constituency and elsewhere are the effects of globalisation— whether they regard them as adverse or positive—the global environment, particularly the warming of the planet, and the effects of global policy, such as population increase, immigration, work permit arrangements and so forth. More and more, we live in an interdependent world, so we need to relate to other countries—not just those that we find it the most amenable to have relations with, but those that are perhaps more challenging to deal with directly. The IPU plays a key role in that.

The final positive aspect, of many, is that the IPU is a means by which we can spread best practice. We can advise parliamentarians in less mature democracies than ours about procedures and how scrutiny can be improved. As was mentioned by a previous speaker, however, it is only reasonable that we learn from others too. After all, one of the two Houses of our Parliament is non-elected and the other one has a majority Government with the support of 35 per cent. of the electorate. Occasionally it does us no harm to stand back and reflect on how others might see us and on whether we can learn any lessons from parliamentarians elsewhere in the world.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): When I and a number of others were recently in Saudi Arabia, extolling the virtues of democratic elections, those we spoke to pointed out that their Majlis, which is entirely appointed, has many similarities with the House of Lords. We agreed that the abolition of both of them was a good idea.

Mr. Browne: I do not want to stray too far from the brief, but I have a lot of sympathy for what the hon. Gentleman says. British parliamentary democracy has been established over many years and has a great deal to recommend it, but we should be cautious about assuming that our models are superior to others. He cites a particularly good and topical example.

I want to raise one or two more points that perhaps the Minister will touch upon if he has enough time. One is that the IPU faces challenges from a number of competitor organisations. I see, for example, that you are the chairman of the all-party British-Czech and Slovak group, Mr. Cummings, and there are many other groups that conduct bilateral relationships between our Parliament and other Parliaments, as well as Commonwealth, NATO and other groups. The IPU needs to ensure that it continues to be relevant and punch its weight. It is a source of great concern to me, and I hope to others, that the United States, which is the most powerful country in the world and has an impressive democratic tradition, is not playing its part in the IPU. The organisation is clearly diminished by its absence.

As the hon. Member for Ribble Valley (Mr. Evans) mentioned, the IPU always faces the challenge of defining precisely what its role is. It is clearly beneficial for us to continue to have discourse with countries around the world, but in Iran, for example, to which there was a trip earlier this year, not everybody is free to stand for Parliament in the first place. Iran's parliamentarians are a group of people who have been elected only after satisfying the people in positions of authority that their views are broadly aligned with those of the regime.

The IPU is engaged in a difficult balancing act. I congratulate everybody on the IPU executive in Britain for trying to strike that balance and on their vigilance and their determination to represent the cause of parliamentary harmony and discourse around the world. I hope that, in another 117 years, it will be functioning as successfully as it does today.

10.40 am

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am delighted to serve under your chairmanship, Mr. Cummings. I congratulate the right hon. Member for Cynon Valley (Ann Clwyd), not only securing the third of what I gather have become annual debates—I hope that we will continue to hold them annually—but on her long-standing work on human rights in various guises. She is the Prime Minister's special envoy to Iraq, but she did not even touch on Iraq in her speech. However, she gave numerous examples of human rights abuses by some pretty nasty regimes, and she is to be congratulated in the highest terms for her work. We have also heard excellent speeches by my hon. Friend the Member for Ribble Valley (Mr. Evans) and the hon. Member for Caerphilly (Mr. David).

I shall touch on only one or two points, because time is pretty limited. One of the main functions of the Inter-Parliamentary Union is the strengthening of democracy and good governance around the world. The dreadful news that we see on our television screens and read in the newspapers each day tends to cloud our thinking and make us think that democracy is perhaps on the wane and that human rights abuses are getting worse. I am not sure that that is the case. If we consider the historical context, we see that some of the worst abuses in human history occurred in the last century—the second world war, Pol Pot's killing fields and Stalin's gulags, to give a few examples. The IPU's work has huge influence around the world, and it is vital that it is continued and strengthened. Those involved are doing a great job of work.

As I said, the right hon. Member for Cynon Valley is the Prime Minister's special envoy to Iraq, where in December last year 75 per cent. of those eligible to vote turned out and voted in the National Assembly elections, despite huge intimidation. In Afghanistan, despite enormous threats from the Taliban, supporters turned out en masse and elected a president in 2004. Ukraine saw the orange revolution in 2004, and Georgia the rose revolution in 2003. The bulldozer revolution in Serbia brought Milosevic down in 2000. There are great examples of democracy being spread throughout the world. The IPU's contacts with parliamentarians in those democracies do a great deal to strengthen them and bring about better human rights and well-being for the peoples of those countries.

As I said in my intervention on the right hon. Lady, the IPU could build better relationships with multilateral and supranational bodies such as the EU and, in particular, the UN. The latter does a great job of work, but with the resources that it is given, it could do an even greater job. Last year, it had an historic summit, but the process of reform seems to have stalled. It is the job of parliamentarians—the IPU is well placed—to have high-level contacts within the UN, to ensure that that process continues.

One of the main successes of that reform, as the right hon. Lady will know well, was the creation of the Human Rights Council, which had its first meeting in Geneva recently. We will all look to see how effective that organisation is, and how it deals with those of its members who have bad human rights records. Relationship building, not only with individual countries and members of Parliament, but with organisations of that sort, could go a long way to helping to improve democracy and human rights. Relationship building and education are critical parts of the IPU's work. The hon. Member for Glasgow, South-West (Mr. Davidson) referred to the visit to Saudi Arabia, a country that has a faltering human rights record, but which is an important ally of the United Kingdom and a very influential country in the current middle east conflict. My hon. Friend the Member for Altrincham and Sale, West (Mr. Brady) spoke warmly about the success of that visit to Saudi Arabia and the two nations' conference. Through such contacts and networking, the IPU can do a great deal of good.

My hon. Friend the Member for Ribble Valley referred to engaging with young people, which is another critical part of the IPU's work. If one can engage with young people at the start of their parliamentary careers, they rise up through the system and can eventually become influential people in their own country. My hon. Friend also referred to the work of the British Council and to the Chevening scholarships given by the Foreign Office. Those are excellent things, but it is a pity that the remit of the Chevening scholarships has been narrowed recently. I ask the Minister to look into that carefully.

As my party's spokesman on trade, I was particularly interested to read in the 2005 annual report about the work of the IPU in a symposium and steering committee chaired by Lord Paul in Geneva on 21 to 23 April on the subject of the Doha trade round. It demonstrated that really successful initiatives, such as that symposium, should be followed up when the right things do not happen. This is a critical time for World Trade Organisation talks, and I wonder what sort of emergency procedures the IPU has to enable it suddenly to summon a new symposium to find out what further impetus the IPU could give stalled WTO talks. The WTO talks are one of the best ways of improving human rights and standards of living in the poorer countries of the world. If those talks stall, it would be a great setback.

We are all talking about the environment these days, but I did not hear the words "environment" and "sustainability" mentioned once, although sustainability, the environment and human rights are one and the same thing in terms of good governance. What work could the IPU do to encourage some of the less well functioning democracies of the world to improve their environment and sustainability?

My hon. Friend the Member for Ribble Valley mentioned embassy closures. The hon. Member for Caerphilly mentioned two visits to central American countries. We now have embassies in only three of the six central American countries. In addition, I note that we do not have an embassy in Madagascar, from which an inward visit is envisaged. The Foreign Office is closing embassies and removing British representation, all for the sake of a very small amount of money, compared to, say, the overspend of the Department for Work and Pensions. The Foreign Office closes embassies and saves perhaps £1 million, but the Department for Work and Pensions overspend far exceeds that.

[Mr. Geoffrey Clifton-Brown]

Through those closures, we are cutting off our nose to spite our face. I hope that the Minister will reflect on the strong concerns expressed in this debate, and that he will think about whether we cannot have at least a very small delegation in such countries, as my hon. Friend the Member for Ribble Valley suggests. This week, my right hon. Friend the Member for Tonbridge and Malling (Sir John Stanley) asked an interesting parliamentary question about how many embassies are manned by one person. The answer is that there are quite a lot around the world. However, that is a better model than closing an embassy, because that way there is at least some presence on the ground when something goes wrong, when some dreadful tragedy occurs, or when some human rights abuse takes place. There is at least someone to make representations to the relevant Government.

The work of the IPU is vital. I again pay tribute to the right hon. Member for Cynon Valley for her work, and to her staff in the IPU. I see that Mr. Kenneth Courtenay is listening to the debate: as has been said, he does a great deal of work and organisation, often at very antisocial hours. The work of the IPU is vital, as is the work of its sister organisation, the Commonwealth Parliamentary Association, which has not been mentioned this morning. I hope that they continue. I hope also that the right hon. Lady continues to strengthen her work, particularly in dealing with some of the nastier regimes throughout the world, to help to alleviate the suffering of those parliamentarians who are caught up in such regimes, and that through her work, human rights will be improved and the well-being and good governance of those countries will continue to improve.

10.50 am

The Minister for Europe (Mr. Geoffrey Hoon): I, too, congratulate my right hon. Friend the Member for Cynon Valley (Ann Clwyd) on securing this debate. I pay tribute to the role that she plays in the British group of the Inter-Parliamentary Union and its important work to foster good relations with parliamentarians throughout the world. It is encouraging to hear about the positive work that the IPU undertakes on a range of difficult and topical issues.

I have heard in the debate and from my officials about the active inward and outward visits programme, and the important role that it plays in encouraging good government through a strong parliamentary system. Engagement with Members of these Houses of Parliament can only help the sharing of good practice with other Parliaments throughout the world. Hosting the inward visits programme gives Members the opportunity to share the strengths of our system, and travelling overseas allows many of us to experience at first hand the problems and challenges facing our colleagues in other countries.

The Foreign and Commonwealth Office has been delighted to be involved in the programme of visits during the past year with delegations from Africa, the middle east, Latin America and eastern Europe, and we were pleased to offer help before and during overseas visits to regions including Latin America, the middle east and Africa. The visits complement the FCO's traditional diplomacy. A recent good example mentioned by Members is the IPU visit to Iran, which added a welcome parliamentary dimension at a sensitive time in our relationship with that country. We look forward to continuing to help IPU programmes.

My right hon. Friend raised the question of human rights generally and specifically. I have already told her that I shall deal in correspondence with individual cases and countries where appropriate and necessary. The Foreign and Commonwealth Office and Her Majesty's Government are committed to protecting and promoting human rights, democracy and good governance throughout the world. Those fundamental values lie at the heart of our foreign policy. Democratic countries that respect the rights of their citizens are more likely to settle disputes peacefully and respect their international commitments and obligations. The promotion of democratic practices and values is essential if we are to help other countries achieve the high goals that are set for emerging democracies.

Richard Burden (Birmingham, Northfield) (Lab): I was an IPU observer of the Palestinian elections at the beginning of this year. In addition to addressing the point made by my right hon. Friend the Member for Cynon Valley (Ann Clwyd) about the two Palestinian parliamentarians who have been in prison for some time, will my right hon. Friend the Minister say something about the 21 further Palestinian parliamentarians who were picked up in the past few weeks, and the four Palestinian parliamentarians who are having their east Jerusalem residency rights revoked by Israel, apparently on the ground that they refuse to give allegiance to the state of Israel, when the city in which they live is occupied territory? He knows that those provisions are illegal under The Hague convention.

Mr. Hoon: I have referred to those cases, and I shall deal with them in correspondence with my right hon. Friend the Member for Cynon Valley.

We very much value the IPU's work in working towards the goals of achieving democracy and respect for the rule of law. As chair of the IPU committee on the human rights of parliamentarians, my right hon. Friend has been active over the past few years. She recently presented her newest report, which details 118 cases in 21 countries where the rights of parliamentarians are curtailed or worse.

The ability of members of Parliaments to speak freely and question Governments properly is fundamental to a democracy. The curtailing of that right in some parts of the world is totally wrong. I am pleased that some cases have been brought to a satisfactory conclusion through IPU action. My right hon. Friend's update is welcome, and it shows yet another aspect of the IPU's positive work.

The British group continues to contribute positively to the work of the IPU through its active participation in the six-monthly assemblies. The Government strongly welcome the bilateral meetings that the IPU organises in the margins of the international conferences, and indeed, the feedback that we receive from them. Such meetings are vital if we as parliamentarians are to understand better what happens in other countries.

The work of the three standing committees is ably assisted by contributions from Members of this House, and that work in turn contributes to our efforts to alleviate the suffering of many people throughout the world. This year the committees have focused on combating violence against women, the control of small arms and the environment. They are all important ambitions, and it is right that the world's parliamentarians should consider such matters of global importance.

I am pleased that the IPU continues to work closely with the United Nations. It is important that there is a dialogue between parliamentarians and the UN, and it is right that the IPU plays a leading role in that dialogue. As the UN continues to strengthen its links with civil society, the parliamentary dimension becomes even more important, and as the major global parliamentary group, the IPU has much to offer the UN's work in support of democracy.

The Foreign Office takes part in regular discussions on the future programme of the British group of the IPU. Our geographical desks continue to offer briefings before visits overseas and our embassies contribute to the success of IPU visits, and that help will continue.

In response to the points raised by the hon. Member for Ribble Valley (Mr. Evans), the Foreign Office deploys its resources to meet its strategic priorities. I was intrigued by his Tesco Metro approach, and I hope it means that he will give strong support to our efforts in several countries to co-locate our embassies and staff with those of other countries. I know what an enthusiast he is for the European Union, and I am delighted to hear him advocate the way in which we have sought to anticipate his suggestion.

There may be times when we do not have a resident ambassador and it is not possible for diplomats to visit a particular country at the same time as the British group of the IPU. Those occasions should be rare, and I am sure that hon. Members will understand that in those circumstances our help might be more limited than that which we would usually expect to offer. However, we look forward to another year of continued co-operation. The Foreign Office and our posts stand ready to give what support they properly can.

In closing, I repeat my congratulations to the British group of the IPU for its effort and successes of the past year. I wish it well for the coming year, and I know that the British group's participation in a range of activities will contribute enormously to the spread of democracy and good governance throughout the world.

Mr. Evans: Will the Minister give way?

Mr. Hoon: I have one more sentence, but I am delighted to give way.

Mr. Evans: Will the Minister say something about the British Council and Chevening scholarships before he finishes his speech?

Mr. Hoon: I judged that that subject was not strictly relevant to a debate about the IPU, but I am prepared to take note of the injunction that Members have set out, and I shall carefully consider the hon. Gentleman's speech.

I congratulate the IPU and wish it well in its future work.

Defence Jobs

10.58 am

Mark Pritchard (The Wrekin) (Con): I am grateful for the opportunity to raise this important issue.

Shropshire has a proud and long history of serving this country in Her Majesty's armed forces. There are 6,000 people employed in the defence sector in Shropshire, and long may that continue. The Shropshire work force are committed and skilled, and they are dedicated to continuing for many years to come the service that they have provided to the county and the nation.

Earlier this year, the Army Base Repair Organisation lost almost 100 jobs, but 770 jobs were saved as a result of the Government listening. They listened because of an Afghanistan inquiry by the Select Committee on Defence. I thank my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), who agreed to hold that inquiry, which considered attrition on vehicles such as the Warrior. I believe that as a result of the inquiry, the Ministry of Defence changed its mind about closing the ABRO facility at Donnington. That decision was only a three-year stay of execution, however, and I hope that today the Minister will commit to a further extension of the facility's life. I ask for that because the deployment to Afghanistan will last at least three years—that has been put on record by Ministers and many in this House believe that the deployment might last beyond that. If that is to be the case, it is only fair that the work force should know. That would also make sense as far as military planning is concerned. Of course, we also have what I suggest will be a very long commitment in Iraq. I hope that the Minister will allow the ABRO work force to hear that the three-year extension has been agreed at long last.

I put on record my thanks to the Minister with responsibility for the armed forces, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram) and to the former Under-Secretary of State for Defence, the right hon. Member for Islwyn (Mr. Touhig), now in the Privy Council but on the Back Benches, for their flexibility in the allocation of MOD resources.

I turn to the Defence Logistics Organisation. Sadly, it was announced two weeks ago that several hundred jobs will probably be lost at Sapphire House in Telford, the neighbouring constituency to mine. The DLO work force have given many years of service and commitment to the armed forces and this country. I question whether the merger of the Defence Procurement Agency and the DLO is right, but if I put that aside and accepted that it is, I would still ask whether now is the right time. Given our deployments around the world—not only in Afghanistan and Iraq, but in the Balkans, Congo, Cyprus and Gibraltar; we have more commitments now than since the second world war—is it right to make a fundamental, key change to the operating framework of the DLO? I think not.

If we agree with the principle behind the argument that the timing of the ABRO decision was wrong, that argument can apply equally to what is happening with the Defence Logistics Organisation. I hope that the Minister will say that the timing is wrong and that the plans to move some jobs—only some jobs are involved—to Bristol and the south-west will be parked

[Mark Pritchard]

for the time being. There is also much concern among DLO workers about how the consultation has taken place and the new consultation that has been announced. I hope that the consultation period will be extended from 30 days to 90 days so that the case for Sapphire House can be made again to Ministers.

I also want to comment on RAF Cosford. Unemployment in Shropshire has increased by 30 per cent. in the past year and it continues to increase because of an outflow of manufacturing jobs. Sadly, we are seeing the same all over the west midlands. I hope that the west midlands will reinvent itself and become a centre of environmental technology manufacturing, rather than try to hold on to the manufacturing of years gone by. The situation is a little like that which followed the second world war, when munitions factories were turned into car manufacturing plants. Perhaps we need to convert some car manufacturing plants. They could become involved with new types of technology—for example, they could make parts of wind turbines or biomass machinery, or do biofuels engineering.

RAF Cosford is key to the future of defence jobs in Shropshire. About 2,500 people are employed there, and we want that number to expand. I am talking not only about direct military and civilian jobs at Cosford, but the supply chain, not only in Shropshire but in the west midlands more generally. Hon. Members will know that the west midlands has a proud record of serving the aerospace industry. Given recent changes at Airbus, I hope that the Government will be mindful of their need to remain committed to keeping the aerospace industry and the sector's skills, technologies and work force commitment throughout the west midlands within our region. That can come only through Government commitment and Government leadership. I hope that we shall have some response from the Minister today.

RAF Cosford is key. The defence training review, which we hope will be announced in a few months, must come to Shropshire, and not only because of our high unemployment. Around the other competing site, St. Athan, unemployment has decreased considerably, and I give all credit to the Government for that. However, if they are serious about addressing employment issues, they need look no further than the west midlands.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I congratulate my hon. Friend on securing this important debate. As he knows, many of those who work at RAF Cosford are my constituents, so I am grateful to him. Does he agree that the threat to RAF Cosford and the jobs there is indicative of the Government's lack of attention to Shropshire as a whole? Does it not show that, despite their lack of representation in that county, the Government need to take Shropshire far more seriously?

Mark Pritchard: I am grateful for my hon. Friend's intervention; he makes some valid points. In the past week or two, the sugar beet industry in Shropshire has been under threat as a result of British Sugar's announcement of the closure of the Allscott factory. If the Government are serious about climate change—I digress slightly, but am answering my hon. Friend's point—they should come to Shropshire and encourage the extension of biomass plants. There is one at the Harper Adams agricultural university and another over the border in Eccleshall; there may be one in north Shropshire as well. Sugar beet can be used to help to reduce climate change and carbon emissions through the use of biofuels, so I hope that the Government will consider what they will do to save the livelihood of 700 Shropshire sugar beet farmers, as well as the factory work force. My hon. Friend is right to underline the link to RAF Cosford, and the fact that the Government need to show commitment to the west midlands.

Richard Burden (Birmingham, Northfield) (Lab): As the hon. Gentleman knows, he will find unity across the entire west midlands on securing the future of Cosford, but I say to him and the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) that the people of the west midlands watching this debate will be looking for unity across the Chamber on putting the west midlands first, rather than Members trying to score party political points on something so key to the future of our whole region.

Mark Pritchard: I am grateful for that intervention, but was unaware that any party political points were being scored. The intervention itself might be regarded as an attempt to score party political points, but I leave the audience to make their own judgment on that. It would be easy for me to say that the Labour Government were cutting the jobs, but I shall not go there. I am happy to stay united.

It is right to put party politics aside; my view is that we are all in this together. We have to work for the corporate good and that of the whole community. It is incumbent on us as Members of Parliament to work for our constituents, putting aside party politics and working for the good of all. I agree with the hon. Member for Birmingham, Northfield (Richard Burden) on that point.

Chris Bryant (Rhondda) (Lab): Will the hon. Gentleman give way?

Mark Pritchard: I spoke to the hon. Member for Rhondda (Chris Bryant) outside the Chamber. He represents a Welsh constituency. Members with constituencies in Wales can raise points about defence issues in Welsh questions and Defence questions. Other Members with constituencies in the west midlands no doubt want to intervene, so, if the hon. Gentleman will forgive me, I shall press on with the debate.

Chris Bryant: He's frit.

Mark Pritchard: I am happy to invite the hon. Gentleman to RAF Cosford to see the fabulous facilities there. He asked about Wales. I have extrapolated some points from the vast amount of data available in the defence training review—I hope that the Minister is taking notes. The review calls for a reduction in the number of sites from 10 to two in a phased four-year programme. The key is a phased programme that is sustainable, that maximises previous investment and that does not require significant investment in local infrastructure.

Shropshire has a marvellous road network, and we know that the Government and the private sector are committed to extending the M6 toll road and linking it with the M54. What better road than one to link up with Cosford? There is also a commitment from local railway companies—it is part of the bid—to regenerate

Cosford Halt station, which goes right into the heart of the Cosford airbus area. What better railway than one going into Cosford?

Cosford also has access to Birmingham regional airport. Some Members may disagree with me, but I would be happy to have an extra runway at Birmingham rather than at Heathrow, as it would attract investment and jobs to the area. In addition, the Cosford bid provides for new accommodation and training facilities in the first year, not in the second, third or fourth year.

Most of all, Shropshire has a vibrant community. The Albrighton Traders Association recently handed me a petition that I handed in at 10 Downing street. It asks the Government to consider the consequences to the whole of the community if Cosford does not win the bid. The decision is not just about the military or the work force, although those people clearly are important. It is about the communities of Albrighton, Shifnal and the wider Shropshire area. The impact on local schools if we lost the bid would be dramatic: pupil numbers would fall, budgets would fall and schools would have a difficult time. What would be the impact on traders, bed and breakfasts, hoteliers and local public houses? Even hairdressers—I use the same barber as many of the people at Cosford, as hon. Members can probably tell. My hair is rather short.

Daniel Kawczynski: Very fetching.

Mark Pritchard: I can recommend Mark Egerton of Shifnal. I do not declare an interest: I pay every time and even give a minor tip.

Chris Bryant: Not more than £2.50, I hope.

Mark Pritchard: I pay £6.50.

The impact on the community would be serious. I hope that the Government will take an holistic, regional view of the effects should Cosford not win the bid.

Daniel Kawczynski: At present, I am negotiating with the chief executive of Arriva Trains, Mr. Holland, significantly to improve Arriva's service between Shrewsbury and Birmingham, which passes through Cosford. Does my hon. Friend agree that it would be far more difficult for local MPs and organisations to campaign for better rail services if Cosford were not successful?

Chris Bryant: He said that the infrastructure was already there.

Mark Pritchard: We must improve on a rail system that, for the most part, is a good service. My hon. Friend is right to push for improvements, and Arriva Trains, Central Trains or whoever might win future franchises must ensure that they continue to improve the services. This is—forgive me—a twin-track process, whereby the railways would benefit from Cosford, and Cosford would benefit from the railways. Obviously, the local community would benefit from both.

That links nicely with the education sector. Wolverhampton university is an excellent university. It works closely with organisations in the West Midlands technology corridor, which is a cluster of aerospace and technology companies. I hope that that will be a key factor in the decision-making process of the Ministry of Defence. There is an important geographical economy of scale as far as Cosford is concerned. There is a skills set right on its doorstep, and that should be a central consideration.

People who might be required, asked, invited or told to move to St. Athan, should it win the bid, may not go. We are seeing that in the Defence Logistics Organisation. Much of its work force are unable to move to Bristol and the south-west. The fact is that the house prices in St. Athan are 30 per cent. above the regional average. Compare them with the house prices in Cosford, which are 30 per cent. below the regional average. If the Government think that everybody will up sticks and go to St. Athan, they are mistaken, as they were mistaken in respect of the DLO.

Chris Bryant: Will the hon. Gentleman give way?

Mark Pritchard: I am an admirer of the hon. Gentleman, but I always admire him more when he is silent. I am sorry to tell him that this will be such an opportunity. I told him earlier that I was unable to take his intervention, given that he has an opportunity to raise the issue during Welsh questions. I look forward to his tabling a question on St. Athan for the next Welsh questions. No doubt he will also ask a supplementary on Cosford. *[Interruption.]*

John Cummings (in the Chair): Order. The hon. Gentleman is not giving way.

Mark Pritchard: Thank you, Mr. Cummings.

The education sector is important. I pay tribute to Professor Caroline Gipps, who is the vice-chancellor of the University of Wolverhampton, and to all the work that is being done to help RAF Cosford to win the bid. It is vital that the Government take a regional and holistic view. I come back to that point, as the decision will be critical to the local education sector—not only primary and secondary schools, but the university sector as well. The university works hand in hand with RAF Cosford and the Defence College of Aeronautical Engineering.

In the context of what is happening around the world, it is likely that there will be more emphasis on aeronautics and, dare I say it, even missile technology. Should Britain become part of the ballistic missile defence shield—I am not saying that it should, but there must be a debate in the House at some point—Cosford will play a part in that. Therefore, we should not disrupt Cosford at this time.

I conclude on a wider point. This is a personal view, not a party view. I question whether this country's defence privatisation has gone too far, and I say that as a Conservative. These are not party political matters. National security goes beyond that. It is the duty of all Governments first and foremost to protect their citizens, and that is also the duty of humble Back Benchers, which most of us are. I question whether the present Government, in their desire to be more macho on privatisation than the Conservative Government, are privatising too much and undermining our national security in the process. Secondly, do they compare post-privatisation or possible privatisation outputs with public sector outputs?

Thirdly, the Government may be underplaying the importance of the military ethos within such organisations.

[Mark Pritchard]

Many civilians working at Cosford, for example, are ex-military. Not all of them are, and people do not have to be ex-military to be good at their job, but there is a clear link between the military ethos and the hard work, commitment and dedication of employees at Cosford and, indeed, the DLO.

I hope that the Government will put a brake on some of their privatisation plans. For example, there has not been an in-house bid in respect of RAF Cosford. I would like to see an in-house bid. How can we have an open consultation process without one? How can the Government consider economic factors, specific training factors and the wider socio-economic factors—the hard and soft measures—when they have not considered an in-house bid? I should be interested to hear what the Minister has to say. The Government have denied that the review is about an estates package; they say that it is not about property and buildings but just about defence training. If that is the case, let us see an in-house bid and if that is not good enough, so be it. But we need to tread carefully before stepping forward to even more privatisation when there have been some pretty big disasters.

There is a certain so-called British company that seems to win virtually every defence order at the moment in this country, yet a lot of its defence manufacturing is undertaken abroad. How is that British? How is that protecting British jobs? I shall mention that company: it is BAE Systems. It may be said that it employs a lot of people in this country; it does, and I am grateful for that, but do we want to put all our eggs in one basket? BAE seems to be winning virtually every contract under the sun and I ask whether we should require the company to commit to undertaking a larger proportion of its defence manufacturing in this country rather than letting it say, "We are listed on the stock market in the UK, therefore we are British and we are protected from any criticism about outsourcing manufacturing abroad."

Shropshire has a proud history and heritage in the defence sector. It is committed to serving this country and Her Majesty's armed forces. It wishes to retain and expand its 6,000 defence sector jobs; it wishes to see an extension of the lifeline to the Army Based Repair Organisation at Donnington in my constituency and a proper consultation process in respect of the DLO at Sapphire House in the Telford constituency. Many of my constituents travel across the parliamentary boundary to work at Sapphire House. It also wishes to see a commitment to provide the best defence training for the 21st century, which, in my humble view, can only be delivered view through the skills set provided and experienced at RAF Cosford. Overall, it wants a commitment from the Government to jobs in Shropshire and the west midlands.

11.22 am

John McDonnell (Hayes and Harlington) (Lab): I will be brief, as I know that local Members will want to speak. I speak simply as the Chair of the Public and Commercial Services Union parliamentary group to make one plea in relation to the Defence Logistics Organisation, the defence training review and the supply-chain initiative. There has been a distinct lack of consultation with the PCS as the trade union representing the staff in all the organisations.

The hon. Member for The Wrekin (Mark Pritchard) referred to Sapphire House in Telford and the potential loss of 400 jobs. The Ministry of Defence admits that the DLO co-location will save less than £8 million. A survey of the staff at Sapphire House was undertaken and 96 per cent. made it clear that they will not move. Their main argument, which the hon. Gentleman mentioned, is that the move to Bristol is unaffordable for them. Let us look at the salaries of staff working within the DLO: more than 60 per cent. of PCS members working at the DLO earn less than £16,000 a year. The average price of a two-bedroom property in Bath is about £285,000. It will be physically impossible for a number of the staff to take up any potential offer of a job under relocation. That will result in not only in discomfort for the individual families and a potential disturbance to their future well-being, but in a considerable loss of expertise to the service.

The DLO has attempted to recruit elsewhere, within the Bristol area. It attempted to recruit 12 commercial officers in Bristol, but failed to do so because the pay offer was too low. The challenge of recruiting to fill 4,000 posts in the new area will become insuperable. The various consultations that have taken place have not included the staff. On a number of occasions, the union has sought representations with management but it has been rebuffed. I ask the Minister to pass the message back through the DLO management structure that the staff need to be fully engaged in the discussions. At present, the trade unions have not been kept informed about emerging proposals on co-location; in many instances, management have simply refused to talk.

On the defence training review, I share the concerns that have been expressed across the House about privatisations going too far. PCS members have organised a 24-hour vigil today outside the Ministry of Defence and I invite hon. Members to attend to meet the staff involved. They are dedicated, committed professionals who want to provide a service in the future but who are now threatened with privatisation. As hon. Members have said, people from Cosford and St. Athan are involved and face the potential of considerable disturbance to their lives and families as a result of forced moves. I repeat, we will lose their professionalism—a professional capital that will be difficult to build up elsewhere. The savings involved appear to be relatively minor. In addition, we risk creating what is virtually a monopoly in awarding the contract.

Finally, I want to talk about Stafford. The in-house option "Do Different" has been determined, which I welcome on behalf of the PCS. However, no information has been provided on how or why Stafford was earmarked for closure; there has been inadequate consultation and discussion with staff, which has caused considerable concern. Many of those anxieties could be overcome not only by changing the decision-making processes within the Department but by ensuring that there is a free flow of information, adequate consultation and full involvement of what is, I repeat, a very dedicated team of staff in all these establishments, who have served this country well over the years.

11.26 am

Mr. Philip Dunne (Ludlow) (Con): I start by congratulating my neighbour, my hon. Friend the

Member for The Wrekin (Mark Pritchard), on securing this important debate. I am pleased that there has already been a measure of cross-party consensus on the issue of Cosford, to which I shall come later.

I congratulate the Minister on his new post, and I start by emphasising the long tradition of defence within Shropshire. It has an important role not only in terms of employment in Shropshire and the west midlands, but in the nation as a whole. The barracks at Copthorne are one of three regional divisional headquarters in the United Kingdom. The general there is responsible for 40,000 troops, and service personnel from Coventry in the east to the Irish sea, and from Cornwall to north Wales are commanded from Copthorne primarily because of its importance geographically. It is roughly in the centre of the country. I shall come shortly to why that is important for Cosford.

The people of Shropshire supply regiments in the armed forces; the Regular Army has the second battalion of the Royal Anglian Regiment currently in Iraq; Territorial Army soldiers from Shropshire are serving in Iraq and in other commitments abroad at the moment. In these particularly difficult times, it is important for the Minister and incumbent on him to provide security for their families back home in terms of the job prospects that they have to look forward to. The more uncertainty there is because of the reorganisation of the defence establishment, the more difficult and challenging it is for our service personnel to perform their duties, and I hope the Minister will respond to that.

The RAF has an important role in Shropshire. Along with RAF Cosford, there is RAF Shawbury, which is an important base. It is not in my constituency but I am sure that my hon. Friend the Member for North Shropshire (Mr. Paterson) will refer to it.

The subject of the debate is employment in the defence sector and it is important to recognise that we are going through a slightly more difficult time than we have done in recent years in relation to employment in the west midlands. In my constituency alone in the past 12 months, unemployment has increased by 35 per cent. admittedly from a very low base. In Ludlow, unemployment rose from 1.2 per cent. to 1.6 per cent. in the year to June, which is a matter of increasing concern. That is happening particularly in the manufacturing sector. Relatively few residents from the defence establishment live in my constituency; they may not have been affected thus far, but I anticipate that further job cuts will have an impact on my constituency and many others in Shropshire.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): Does the hon. Gentleman agree that, given the astonishing increase in unemployment in his constituency that he has sketched out and given that four of the 15 constituencies with the highest rates of unemployment are in the city of Birmingham, the west midlands surely has the highest claim of any region, including Wales, to be looked on favourably by the Minister?

Mr. Dunne: I entirely agree with the hon. Gentleman's welcome intervention. It reflects concern among representatives from across the west midlands about the threat of increased unemployment there. However, I would point out to him that there is a political connotation.

My hon. Friend the Member for The Wrekin was very restrained in not seeking to score party political points, but there are 10 Labour-held seats in the west midlands in which Members have majorities of less than 3,000—roughly equivalent to the number of jobs at stake at Cosford—and it is a shame that not one of the Members representing those seats is in the Chamber to argue their case.

The hon. Member for Birmingham, Erdington (Mr. Simon) speaks with considerable authority about unemployment in Birmingham, and I have much sympathy with that. I also pay tribute to the hon. Member for Birmingham, Northfield (Richard Burden), who intervened earlier, for his work in drawing together cross-party consensus to try to secure jobs for those who were put out of work through the bankruptcy of British Leyland. [*Interruption.*] Excuse me. I meant the bankruptcy at Rover.

That brings me to the main topic, which is to argue that RAF Cosford should secure a position as a national centre of excellence in the defence training review—a decision that I understand is due to be made in October. I shall be accompanying my hon. Friend the Member for The Wrekin tomorrow to argue the case with the Chief Secretary to the Treasury. I thank my hon. Friend for securing that meeting, although the decision rests primarily with the Ministry of Defence. From separate conversations, I am aware that the Ministry is under considerable financial pressure; any help that the Treasury can give to relieve that pressure will, I am sure, be welcomed by the Minister. We will try to argue the Minister's case for funding, particularly for Cosford.

The "Let's Fly" campaign, spearheaded by Advantage West Midlands, to champion Cosford's case, has presented a compelling case for Cosford to be selected under the defence training review. I am sure that the Minister will have received many submissions, not least from me, to argue Cosford's case, but I shall focus on three aspects.

First, the skills inherent in the area are considerable. They include not only the aerospace and motor vehicle engineering skill base of the west midlands—with the possible exception of parts of the south-west, it is the centre of excellence in the UK—and there is no question but that it could provide an additional work force for recruitment that does not exist in the competitive market. We have heard that it is unlikely that many of those employed at Cosford would relocate in the event of the wrong decision being made—if Cosford does not secure its future.

I am told that there are 1,386 technical and manufacturing companies in the area immediately surrounding Cosford that employ 22,000 people in the aerospace industry, and there are another 300 related companies in the region. In addition, a strong and growing university capability can be built upon to provide for the training requirements of Cosford. Unfortunately, we do not have a university in Shropshire, although we have various tertiary education establishments that cover other sectors and there is the move to develop one that I suggest would merely increase the skills base.

The second aspect is the transport infrastructure, to which my hon. Friend the Member for The Wrekin referred. The county is not as well served as others in terms of the county town's access to London. As it

[Mr. Dunne]

happens, Cosford is well served because of its proximity to the motorway network. One cannot get any closer than Cosford is to the M54; the M54 is within a few miles of the M6, the north-south trunk road that leads to the south, to the M42, to the M1 and to London. The railway passes within a few hundred yards of the entrance to Cosford; although the station is not served by a large number of passing trains, it is capable of coping with more regular trains. As has been said, discussions are ongoing with a couple of train companies to provide a more regular service.

The infrastructure is there; we need to encourage the operating companies to use it more. My hon. Friend has already touched upon the airport infrastructure. I endorse his comments about Birmingham being more suitable for any increase in air transport facilities than Wolverhampton business airport in my constituency. The latter is little more than a general aviation field, and is not suitable for significant expansion.

Mark Pritchard: Although I support the expansion of Birmingham airport rather than of Wolverhampton business airport, any increase in air traffic and in air routes should not result in planes flying low over the Shropshire hills, causing noise pollution and disrupting the Shropshire way, birdsong or animal welfare in an area of outstanding natural beauty.

Mr. Dunne: I am grateful to my hon. Friend for highlighting the fact that approximately 88 per cent. of the South Shropshire district council area, which is entirely within my constituency, is in an area of outstanding natural beauty. There is considerable concern about the recent rerouting of the flight path into Manchester airport and the consequent increase in air traffic that has resulted from the lower flight path ceiling. It is primarily civilian traffic, but some noise irritation also results from the helicopter training from RAF Shawbury. One reason for that is that the area in which they have chosen to do their training descents happens to be on the edge of an area of outstanding natural beauty that is also in my constituency. However, that is somewhat of a side issue in relation to the future development of RAF Cosford for training, as I understand that no flights will emanate from that site.

Thirdly, aside from the central transport infrastructure of the location, the general location of Cosford is important in relation to the nation as a whole. The nationwide review is there to provide a national centre of excellence. To site such a centre in the middle of the country means that it will be accessible to an immediate catchment of the 4 million people living within one hour of Cosford. The comparative figure at the competing site of St. Athan is approximately 1 million, so Cosford seems relevant, not least because of its accessibility to all parts of the country for military use and for recruitment and training. That should be welcomed by the Minister.

Finally, I should also add that Cosford lies just outside my constituency, but within Bridgnorth district council, which is predominantly within my constituency. I have had discussions, as has my hon. Friend, with the chief executive of the council and council leaders. I understand that the planning situation for RAF Cosford is that if it ceases to be used for military purposes, it will revert to its original use for agriculture. If the Department imagines that there is a honeypot to exploit from the redevelopment of the site, it should be under no doubt that that will be fiercely resisted by the local authorities in whose domain the planning decision would lie.

Daniel Kawczynski: Will my hon. Friend say in front of the Minister that he shares my view about the strength of feeling among local people in Shropshire? They feel passionately that they wish to stay in our county and do not wish to move down to Bristol. All of us who represent Shropshire are Salopians: people of Shropshire who feel proud of our county and want to stay rather than be forced to Bristol.

Mr. Dunne: I am grateful for a somewhat typical intervention championing the cause of Shropshire from my hon. Friend and neighbour—he does so with considerable aplomb and style at every opportunity.

There is no doubt that people who work and live in the surroundings of Cosford will want to stay there, particularly the non-service personnel. The service personnel obviously are used to moving around the world and country at the behest of their superior officers, but the civilian personnel—who make up approximately half the people employed at Cosford—would find it difficult to move for the reasons explained by the hon. Member for Hayes and Harlington (John McDonnell) and would have no inclination to move.

Many people who work at Cosford live in the Bridgnorth area of my constituency and I have met many of them who have explained that they are concerned that the results of the proposed review will come out the wrong way. I urge the Minister to accept the arguments that have been put to him in favour of RAF Cosford. We look forward to the right result from this training review.

11.43 am

David Wright (Telford) (Lab): I congratulate the hon. Member for The Wrekin (Mark Pritchard) on securing this debate—he has done us a real service. From the range of Members present, we can see that this is an important issue across the west midlands and it is also nice to see a full set of Shropshire MPs here. I can speak in defence of jobs in the county as a Shropshire lad who was born and raised there.

I want to focus my brief remarks on three areas. First, I want to talk about ABRO, which is in the constituency of the hon. Member for The Wrekin, who I was going to call my hon. Friend—indeed, I will do that. I also want to talk about Cosford and particularly Sapphire House and the Defence Logistics Organisation at Sapphire House. We have had a problematic time in Shropshire over the past 12 months. A number of announcements in relation to defence jobs have been very negative and, on Sapphire House, the Ministry of Defence is plain wrong.

The organisation at Sapphire House has a large number of highly skilled people who procure equipment for our armed forces. It is easy to think that those people sit around, press buttons on computer screens and make default decisions assisted by a computer in relation to equipment provided for the armed forces. That view is completely wrong as those people are in regular contact with the front line and take telephone calls about the provision of equipment for the armed forces from people who are fighting wars on the front line. If we proceed with the proposal to move jobs out of my constituency to the Bath and Bristol area, we will lose that experience. There are generations of families who have worked at Sapphire House and the culture of supporting defence procurement has existed for more than 60 years in the wider Telford and Shropshire area. The loss of those jobs would be extremely negative for the Ministry of Defence and for the local economy.

Yesterday, I took a number of trade union colleagues and Councillor Keith Austin, the chair of the local defence support group, to see the Minister. The Minister suggested he would look at making the consultation period for the decision in relation to Sapphire House more flexible. I hope that there will be flexibility and that the Minister will seriously consider the representations made to him by the trade unions yesterday—PCS members put together a strong and coherent case. We need to preserve the skills and capacity at Sapphire House. There is a community and generational aspect to the support given to Sapphire House and there will be recruitment and selection problems if the facility moves to the Bath and Bristol area. Hon. Members have already discussed the difficulties in recruiting staff in that area.

There will be a significant problem given that, when the trade unions consulted their members—more than 400 at Sapphire House—97 per cent. said that they did not want to move to Bath or Bristol. There are a number of reasons for that and they include family ties and connections, house prices and income. The Ministry of Defence actually gets a very good deal out of Shropshire people. I do not want to talk down salaries, but the Government get a very cheap deal and good value for money in terms of the people who work at Sapphire House, who are committed to the organisation and to the Ministry of Defence and go the extra mile. Those people deserve to be listened to and the Minister needs to take the message to the Government that they need to think again about Sapphire House.

A number of the integrated project teams on that site are saying that they do not want to move. The drive for efficiency will not secure the savings that the Ministry of Defence require. We will see a fall in the quality of the service and that is particularly damaging at a time when our armed forces are heavily committed around the world.

The Minister decided to change his view on ABRO, which is in constituency of the hon. Member for The Wrekin, largely due to the pressure brought to bear by the trade unions, the defence support group and by Members from across the political spectrum, particularly the Shropshire five as we could call ourselves. We need to go forward now and ensure ABRO has not just a medium-term future, but a long-term future based at Donnington. A number of Amicus trade union representatives from ABRO came to see me at my surgery a couple of weeks ago. They are keen to work constructively with the Ministry of Defence and with management to make sure ABRO at Donnington is extremely efficient and indispensable. The trade union representatives are developing new opportunities for on-site training and are flexible in their approach.

We would like to explore in more detail the proposals that the Government are considering in relation to a Govcom for ABRO and we need to go out and win more private sector work, which I know the work force are keen to do. When there is a surge in demand for armoured repairs because troops are in action, the only real place that can deal with it is ABRO. The people who work at ABRO, like those at Sapphire House, go the extra mile—if there is a job to be done, they make sure it is done. They do not watch the clock, they turn up outside their normal hours and do the work for our front-line troops. This means that when there is a surge in demand because our troops are under threat and they need armour to be repaired, they can rapidly go back out onto the front line. There is great commitment both in Sapphire House and ABRO to our front line, and we should thank all the civilian staff involved in that work for ensuring that our armed forces are supported professionally and will continue to be supported professionally as long as those jobs are retained in Shropshire, in Telford and in Wrekin.

I shall finish by speaking about Cosford, which is crucial for the long-term future of our manufacturing base in the west midlands. Cosford is ideally placed to be the defence training establishment for the UK. It is central geographically, as the hon. Member for Ludlow (Mr. Dunne) said, and the transport links to the site are superb. The M54 runs probably one mile away from the site, and the rail link is virtually on the site. There is also a great history and heritage about the RAF at Cosford. With the aerospace museum and the new museum on the cold war based on the site, there is a real connection between modern-day training and the history and heritage of the RAF. That is significant when it comes to getting people through the training environment and ensuring that they understand the history of the RAF and the future dynamic of the RAF and other services.

Given the knowledge, skills and training base across the west midlands, we have an unsurpassed level of expertise. As part of the proposal, Advantage West Midlands, the regional development agency, proposes to create a national manufacturing skills academy focused around the Cosford site. That is very important.

Mark Pritchard: Does the hon. Gentleman support me in supporting the idea of an in-house bid for the defence training review? Would he like to put that on the record?

David Wright: I am happy to put it on the record that I have always supported the idea of an in-house bid. I met PCS colleagues before the hon. Gentleman was elected in order to talk about an in-house bid. I supported that idea right through the process and was very disappointed when the MOD did not allow an in-house bid to be made. However, we are where we are, and it is crucial now that we compete with St. Athan and win the proposal. That said, I supported hon. Members who wanted an in-house option. I hope that they will be reassured by the fact that there is unity across this Chamber today and that we arguing for jobs in Shropshire to be protected. That is the key thing that we want to deliver today.

On the manufacturing sector, we have heard about the number of companies that are connected to RAF

[David Wright]

Cosford and about the strategy of Advantage West Midlands for that area—the western side of the conurbation, if I can put it like that. The technology corridor along the M54 is particularly significant. We have university sites in both Telford and Wolverhampton. We also have the excellent Telford college of arts and technology, which is the leading college in the UK, as shown by its recent Ofsted marks. It is keen to key in to training and skills in relation to Cosford and to connect companies in Telford to the defence training activity that it is hoped will take place at Cosford.

I am conscious that other hon. Members want to speak and that those on the Front Benches need time to respond to and wind up the debate, but I have three messages to give. They are about a long-term future for ABRO, the defence of jobs at Sapphire House, the DLO site in my constituency, and the proposals for Cosford being supported by the Minister to deliver long-term manufacturing job growth in the west midlands.

11.53 am

Mr. Owen Paterson (North Shropshire) (Con): It is a great pleasure to serve under your chairmanship, Mr. Hood—it takes us back to the good old days of the European Scrutiny Committee. It is a great pleasure also to follow my near neighbour, the hon. Member for Telford (David Wright). Like him, I congratulate most heartily my hon. Friend the Member for The Wrekin (Mark Pritchard) on landing this debate at a critical time. Time now is short and I shall be brief. I would like to mention three subjects.

The first is RAF Shawbury, which is the jewel in the crown as far as Shropshire's defence activity is concerned. It supports at least 1,500 jobs locally and injects £20 million into the local economy. It is immensely important locally, but it is also hugely important nationally and, potentially, internationally, as it is the seat of the defence helicopter flying school.

My comments to the Minister are simple. Ten days ago, I went on a simulated flight in the Bell simulator round most of north Shropshire and then did exactly the same thing in a real helicopter to compare the difference. As I said, Shawbury is immensely important locally, but a small number of people living close to the airfield are aggravated by noise, and it was most interesting to learn that 30 per cent. of day flying can be done in a simulator and 70 per cent. has to be done for real but at night it is half and half. It was clear from that exercise that people had to do the real thing. When we came to land, for instance, in the simulator, I always thought that we were about 30 ft higher than we actually were according to the simulator, so it has to be done for real and I stress that Shawbury has enormous support locally. Many farmers are very co-operative and offer landing sites, but there are two other points to be made.

First, a small number of people are very badly affected—the Slater family, for instance. I saw a predecessor of the Minister, who is now Lord Moonie, about that. At the time, there were discussions about insulation materials and there were NATO trials. Can the Minister tell us what new technologies are coming along? We welcome the helicopter training at Shawbury, but for a small number of people there is aggravation, although I take my hat off to the RAF authorities for the way in which they have liaised with parish councils and done their bit to mitigate complaints. However, the local question is: what is the form on new technologies coming along for low-frequency noise?

The other question, which is of national consequence, given the demands particularly in Iraq and the extreme demands for helicopter pilots in Afghanistan, is: what steps are the Government taking to speed up the training of helicopter pilots? The Minister gave me a reply last week, saying that it took 87 weeks to train a Royal Navy pilot, 71 an Army pilot and 110 for a Royal Air Force pilot. When I went to Shawbury, I glibly said, "Well, we used to stick Spitfire pilots in the air after 10 hours," but I was told, "Yes, and a lot of them crashed." The people there insisted that it was extremely difficult to shorten the training. However, given the demands on our forces, particularly with the increasing role in Afghanistan, it seems that there will inevitably be a shortage of pilots, so can the Minister explain what steps the Government are taking to increase the number of pilots and what part Shawbury will play? Obviously, Shawbury will play a key role and will welcome that.

Sadly, two soldiers from Tern Hill barracks in my constituency were recently killed in Iraq. They were killed by an explosive device hitting a Land Rover. I have asked the Minister questions on this issue and I understand that he is being cagey for operational reasons, but I understand that there are vehicles that will repel those explosive devices. Lord Drayson, in the other House, has stated that a vehicle called the Mamba was trialled in Bosnia and sold off because it was unreliable. I have read reports in the press, which I would like the Minister to verify, that actually the Mambas were sold to a private security firm and are now running down the most dangerous road in the world—the one between Baghdad airport and Baghdad town centre—carrying personnel of pretty high importance. I have also read a report that a Mamba has sustained two direct hits and all those in it got out alive. Therefore, can the Minister explain the Government's position on putting our troops in extreme danger in soft-skin Land Rovers?

To take another country, Canada yesterday cancelled a major element of its FRES—future rapid effects system—programme. We are planning to spend £14 billion on FRES. That is a very grandiose expensive scheme down the road. Canada has decided that its troops need help now—that for operational reasons they need improved equipment—and it is diverting some of its FRES money now into improved equipment for deployment in Afghanistan. We have Alvis in the constituency of my hon. Friend the Member for The Wrekin. Could—

Mr. Jimmy Hood (in the Chair): Order. May I ask the hon. Gentleman to address the subject of this Adjournment debate, which is defence sector jobs in Shropshire and the west midlands?

Mr. Paterson: Absolutely, Mr. Hood. The vehicle that I am about to mention, called the Scarab, was made at Alvis in the constituency of my hon. Friend the Member for The Wrekin. My question to the Minister is: does he have plans to divert some FRES money into investment immediately to provide vehicles for our troops in Afghanistan or in Iraq that would be more resistant to explosive devices than the Land Rovers used currently and that could be made in the west midlands, where we have a long history of vehicle manufacture?

Finally, I will touch on the points that other hon. Members made on the importance of Cosford. I will not repeat them, but we must consider what has happened with Sapphire House, the British Sugar closure at Allscott and the recent comments by Professor Les Worrall. He said:

> "If I were a betting man, which I am not, I would have a few quid on the Shropshire economy being in for a tough time over the next year".

Given the experience of the benefits that Shawbury brings, we need a mixed economy. It is inevitable that there will be a reduction in the importance of agriculture and manufacturing. Therefore, the establishment of what is proposed at Cosford is of immense importance to the economy. I shall not repeat the comments that were made earlier—that would be invidious—but I stress that they have the support of all organisations across the county, and, I think, across the west midlands. I should like the Minister's comments on what is going to happen at Cosford.

12 noon

Lorely Burt (Solihull) (LD): It is a pleasure to serve under your wise guidance this afternoon, Mr. Hood. I shall try not to repeat the comments of other hon. Members, because I am sure that we all want to hear what the Minister has to say. However, I congratulate the hon. Member for The Wrekin (Mark Pritchard) on bringing this important subject before the House for debate today—as well as the hon. Members who have spoken, and those who have not had the opportunity.

I want to see whether I can come at the subject from a slightly different angle. As west midlands Members of Parliament we are all keen that the area should prosper. However, the job of the Ministry of Defence is to find the best service for the best price. I want to argue that the west midlands is in fact the best area to choose. The hon. Member for The Wrekin has described the west midlands as a centre that reinvents itself—and it does. It is the birthplace of industry, and that is particularly true of the area that the hon. Gentleman represents. It happens all the time. As industry develops and things move on, we take our knocks. We remain competitive by inventing new industry, such as environmental manufacturing, which the hon. Gentleman mentioned. That is an exciting development and I echo what he said about it.

I understand that the announcement about the Defence Logistics Organisation was made about two weeks ago. However, the MOD bought the premises in Bristol, a point that the hon. Member for The Wrekin raised in May 2005, before the consultation was concluded. I wonder what the Minister's view is about that, given the relocation of staff who do not want to leave the west midlands and who would prefer to stay where they are. There may be a great skills shortage, resulting in a challenge to the Government in the provision of the service, because of the lack of people who want to move.

Members on both sides of the Chamber have spoken about the defence training review and have raised the question whether privatisation has gone a step too far. Although I am a Liberal I am not a great fan of privatisation, and I should also be interested to know from the Minister why an in-house bid was not considered feasible. The justification was that outside expertise would be required, but how did the Government know that the expertise was not available if no in-house bid could be made?

On the question of the appropriateness of Cosford as a site for the defence training review, hon. Members on both sides have talked about the infrastructure, the universities, and the existing skills base and supply chain. I take issue with comments by Conservative Members on only one issue, in relation to the second runway at Birmingham International airport. I certainly do not consider that Wolverhampton Business airport would be at all appropriate. However, there is no need for a second runway at Birmingham International airport. It can expand with the lengthening of the main runway, and with other proposals that are being made as part of the plan there is no necessity for the second runway.

I should be grateful if the Minister would take on board the comments of hon. Members on both sides of the House about the suitability of Cosford.

Chris Bryant: Is the hon. Lady actually saying that she has set out the official Liberal Democrat position, and has cleared it with all her Liberal Democrat colleagues in the south-west of England—and, indeed, Wales—who would benefit if the defence training review went to Wales? Is she seriously saying that their view is that the review must go to Cosford?

Lorely Burt: The hon. Gentleman is implying that there must be exclusivity and that the defence training review must go either to one area or another. As I understand matters, a number of sites are being considered.

Chris Bryant: Two.

Lorely Burt: Since there are two sites available I am merely putting the case for Cosford. As I said at the beginning of my remarks, it is up to the Ministry of Defence to decide which is the best place. However, Cosford is uniquely placed because of its educational and communications infrastructure, its skills and its supply chain to fulfil the requirements of the Ministry of Defence.

12.07 pm

Mr. Mark Harper (Forest of Dean) (Con): It is a pleasure to serve under your chairmanship, Mr. Hood. Before I turn to the debate, I want to say that I am mindful of the remarks of my right hon. Friend the Leader of the Opposition and your right hon. Friend the Prime Minister, and I shall try hard to resist the temptation to come and hug you.

The Parliamentary Under-Secretary of State for Defence (Mr. Tom Watson): That is a very wise move.

Mr. Jimmy Hood (in the Chair): You have given yourself good advice.

Mr. Harper: I knew that I was taking my life in my hands with that remark. It is a defence debate, and I am well defended by the Minister.

I pay tribute to my hon. Friend the Member for The Wrekin (Mark Pritchard) for securing the debate, and to hon. Members on both sides of the House, representing constituencies in Shropshire and the west midlands, who have spoken very eloquently about many local issues. They ably represent their constituents on this subject.

I want to touch on two issues—the merger of the Defence Logistics Organisation and the Defence Procurement Agency. We accepted at the last election that there was a need to introduce effective through-life management of major capabilities. Indeed, in 2003 the National Audit Office found that one of the barriers to through-life management was the relationship between the DPA and the DLO. It certainly makes sense that there should be one organisation to manage that capability from its inception to the completion of its service life. We felt that that justified a merger with the capability functions of the DLO and the DPA.

We feel that the full merger of the two organisations has the potential to create a very large and cumbersome organisation, and there seems to us to be no reason why the purely logistical functions of the DLO should be included in a merger with the DPA. Consumables such as ammunition and nuts and bolts do not need to be provided by the same organisation that has responsibility for procuring aircraft, ships and tanks. The risk is that the Government will create a huge, unwieldy empire that will not perform either task particularly well. We support merging the capability functions, but think that there should be a separate logistics command specifically to take account of the logistics items, as opposed to the large procurement areas.

On the defence training review, hon. Members will know that my constituency is beautifully positioned, being adjacent to both Wales and the west midlands. I therefore find it easy to take a balanced and neutral position between the two bids. Hon. Members from the west midlands and Shropshire have put their cases very ably, and no doubt others will make strong cases for their bids. I am sure that the Minister will make a very wise decision on behalf of Her Majesty's Government.

Chris Bryant: All the joshing apart, does the hon. Gentleman agree that the most important issue that the MOD has to decide on this is not whether there is a higher level of employment or unemployment in one area or another, or the level of relative deprivation between areas, but which bid will provide the best level of training for our forces? If we were to do anything other than that, we would be failing in our duty to our troops.

Mr. Harper: That is a helpful intervention. I agree that the decision about the defence training review—indeed, all decisions about MOD responsibilities—should absolutely be made on the ground of providing the best possible defence for our nation and, therefore, the best possible training for our forces. That should be the criteria on which the decision is made.

Mr. Ian Austin (Dudley, North) (Lab): Will the hon. Gentleman give way?

Mr. Harper: I will not give way again, as time is short and I want to allow the Minister to deal with the many issues that have been raised.

I shall say a brief word about the defence industrial strategy. My hon. Friend the Member for The Wrekin drew attention to the defence industrial strategy's references to sovereignty and what is meant by the term British. As far as I am concerned, we mean the ownership of intellectual property, companies being based in this country and, very importantly, contracts and companies that will ensure the security of supply of defence capability for this country. Taking those three things together, we can focus on what the defence industrial strategy means by sovereignty and a preference for British companies.

I repeat that the absolute priority of the MOD must be to ensure that we maintain the standards of service and support that our forces deserve and need. However, it is worth making one more point about the defence training review as a caution: whatever decision the Minister takes, it should not undermine the military ethos of that training. We are training soldiers and servicemen, and that is not the same as training people for a role in private business. We ask a great deal of those who serve in our armed forces. Our training should recognise that, and the military ethos should be properly preserved to recognise that we ask our armed forces to do a very separate and distinctive job. We must ensure that we maintain the military ethos and professionalism of the armed forces on which we depend, as we have in the past and will in the future.

12.13 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Tom Watson): It is a pleasure to have you in the Chair, Mr. Hood. If we could physically hug each other, I would have no problem with that. After all, this has been a very "new man" debate, with the exception of the hon. Member for Solihull (Lorely Burt).

The hon. Member for The Wrekin (Mark Pritchard) should be congratulated on securing the debate. He talked about taking an holistic approach. I shall give an holistic response if I can. Before I begin to talk about some of the key issues, I must say that never in the field of party political conflict have so many press releases been owed to the *Shropshire Star*. I say to the famous five from Shropshire, somewhere in that newsroom, a man—or woman—is generating page leaves as we speak. I commend you all.

I congratulate in particular Mr. Mark Egerton, the barber of Shropshire. The hon. Gentleman has probably bankrupted him by now, but I am sure that, given the excellent employment opportunities across the region, he will be able to find alternative employment.

On a serious note, the hon. Gentleman raised several points. I shall talk about the defence training review at the end of my speech, because I want to talk about wider defence issues across the region, if hon. Members will allow me to. This debate has been a thinly disguised opportunity for Members to lobby for the defence training review, but I do not object to that, in the interests of fairness, because, as the hon. Gentleman will know, I was invited to talk to the Select Committee on Welsh Affairs about defence in Wales, and that was also a thinly disguised lobby on behalf of St. Athan. I expect hon. Members to argue for their regions.

I commend my hon. Friend the Member for Forest of Dean (Mr. Harper)—I shall call him my hon. Friend—on staying studiously neutral on the matter, both geographically and politically. I commend the hon. Member for Solihull on coming out, on behalf of the Liberal Democrats, for RAF Cosford—I think—but let us see what happens with that.

Chris Bryant: I have my press release already.

Mr. Watson: We have even got a press release for south Wales out of a debate on defence in the midlands.

Our broader plans for the Ministry of Defence for the next few years are to modernise the MOD, our armed forces and our defence capability. The changes include initiatives in areas such as logistics, on which we have touched—I will respond to hon. Members' comments on that later—information systems, personnel and estates, and training. They apply to all service and civilian personnel, not only in the west midlands region, but throughout the UK and worldwide.

We are managing the defence change programme as a single, coherent effort with the goal of modernising and improving our defence business processes. That will allow us to reallocate our scarce resources from back-office functions towards the front line in order to improve our operational capability. That is the best way to make sure that we can go on giving the best support to our servicemen and women in the future, to which so many have referred today. That means that we have to do things better and cut out waste.

The hon. Member for The Wrekin made a point questioning privatisation. I hope that that comment will not come back and haunt him as he progresses through his career in his party. He is bold enough to shake his head. There is no ideological commitment for or against privatisation in the MOD. We pick a view that—

Mark Pritchard: I am grateful to the Minister for giving way; I know that he will want *Hansard* to be accurate in reflecting my earlier comments. I am not objecting to privatisation in principle; I am saying that it needs to be undertaken on a case-by-case basis and should be done objectively rather than driven by some ideology. With the MOD there has, perhaps, in some cases, been a privatisation too far.

Mr. Watson: I am grateful. I am sure that that clarification will go into *Hansard*. My hon. Friend the Member for Hayes and Harlington (John McDonnell) who is, dare I say, the unity candidate today was nodding vigorously at the hon. Gentleman's stateist approach and his arguments for protecting jobs in the region. I am certain that they can reach a consensus today about how we should protect jobs in the region rather than open up to the market. That allows me to answer the central point of my future leader's argument about consultation. *[Interruption.]* I am only joking. He would not expect a former trade union official not to want greater consultation.

I understand that my right hon. Friend the Minister of State, Ministry of Defence, who has responsibility for the armed forces, yesterday met a delegation that was led by my hon. Friend the Member for Telford (David Wright) to talk about some of these issues. Other meetings are planned, and I expect representatives of the work force to be heard at all levels in the MOD and across the management.

John McDonnell: I shall give one example of a lack of information flow. In relation to the future defence supply chain initiative, no information has been provided regarding the estimate that has been provided to the unions of cost savings of £400 million. The unions have not been provided with a copy of the investment appraisal, or financial data setting out how any of those savings are to be provided. That level of information would give some assurance to members of staff working in the field that they can have a guaranteed future.

Mr. Watson: Unlike my hon. Friend, I do not have the benefit of the PCS brief, but I hope that he can be reassured that the commitment that I gave is absolute: we want our work force to be involved. Indeed, I think that they are consulted extensively, but my hon. Friend's points will be taken up, and if there is a problem, we will deal with it.

Daniel Kawczynski: On privatisation, the hon. Member for Telford (David Wright) and I met a delegation of workers in the House some time ago. It is not only Conservative politicians who are concerned about privatisation; ordinary workers and members of the public are concerned that the British defence industry could end up in the hands of foreign companies that have no good will towards this country.

Mr. Watson: I understand the hon. Gentleman's point. Indeed, I understand that representatives of Amicus, the manufacturing union, are in the House today. They represent ordinary workers in Shropshire and from across the region, and I would be delighted to show the hon. Gentleman the room where they are trying to lobby. He could put to them his view that he stands for ordinary workers in Shropshire, and I am sure that they would like to engage him on their views about privatisation.

Mark Pritchard: I just want to put something on the record. There is no such thing as ordinary workers in Shropshire—there are only extraordinary workers in Shropshire.

Mr. Watson: I am sure that the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) will feel admonished for having referred to ordinary workers in Shropshire.

Mark Pritchard: No, I meant the Minister.

Mr. Watson: I was only using the hon. Gentleman's words.

Daniel Kawczynski: The Minister is not being statesmanlike.

Mr. Watson: Does the hon. Gentleman want to intervene?

Daniel Kawczynski: I do, because I was making a serious point. The Minister is trying to say that I used the word "ordinary" in some derogatory way, but that is not correct. I simply said that those people felt passionately about this issue and that they reflected public opinion.

Mr. Watson: In that case, I am sure that the hon. Gentleman will attend the Amicus meeting straight after this event to put those points.

I have a lot to say about defence and jobs in our region, so let me move on. I know that hon. Members want me to talk about the defence training review, and I shall try to get through my comments as quickly as I can so that we can talk about my position on the review at the end.

Our goals are ambitious. We have committed ourselves to achieving £2.8 billion of efficiency savings by 2007-08. That money will be reinvested to maximise front-line capability and will come partly from cutting numbers elsewhere. We are committed to reducing the number of civilian posts by at least 10,000 and the number of military posts in administrative and support roles by at least 5,000.

As I am sure that the hon. Member for The Wrekin is aware, the Defence Medical Services branch of the Ministry of Defence already enjoys a strong presence in the west midlands. The Royal Centre for Defence Medicine, which is based in and around Birmingham, has recently benefited from a £106 million refit, which I am sure that all hon. Members welcome. That refit was carried out in partnership with the regional development agency.

In that respect, perhaps I can answer some of the cogent points raised by the hon. Member for Ludlow (Mr. Dunne), who talked about the "Let's Fly" campaign led by the RDA. That is the west midlands RDA at its best, and I hope that we will be able to stand up for it when we talk about the future of RDAs in other forums, because it is the only body in our region that could mount such a campaign. I know that the hon. Gentleman will want to stand up for RDAs up and down the country, given that some hon. Members believe that there is a question mark over their future.

The chief executive of the Defence Medical Education and Training Agency is now leading a programme to improve accommodation and support facilities for military medical personnel in Birmingham and is exploring a number of options to consolidate the command, control and training elements of the Defence Medical Services. That is intended to create an international centre for clinical excellence and to provide a suitable environment for DMETA military and civilian personnel, including those who are currently serving in Birmingham without access to MOD accommodation or facilities. That would result in significant numbers of staff and jobs being relocated to the west midlands from around the country, and I know that all hon. Members will support the Government in trying to achieve that goal.

In the few minutes that remain, I should like to move straight on to the defence training review. The in-house bid was not considered appropriate, because it could not have provided comparable technical innovation, performance discipline and risk transfer. The DTR programme is about improving training and its environment, as well as managing the risk of demand ebb and flow without compromising the quality of training. A PPP arrangement will offer the best value-for-money solution, while still meeting the MOD's critical requirements.

Our initial studies identified six streams of specialist training, which are currently being conducted on about 30 separate sites around the country. Together, those streams offered the greatest potential benefits from the rationalisation and harmonisation, and hon. Members have referred to that. Consequently, they have been grouped into two packages for what my officials describe as maximum synergy, or what I would describe as a common-sense solution. Package 1 comprises training for engineering and communications, while package 2 will provide training for logistics, security, policing and administration.

Our overall procurement strategy has required bidders to select sites as part of their training proposals. They were given a free hand to decide which MOD or non-MOD sites offered the best solution. That geographical freedom has been essential for bidders to develop coherent value-for-money proposals that take full account of the service training requirement, their training design and delivery solutions, the necessary personnel and skills, and the environment in which solutions would be delivered.

There are two bidders for each contractual package. The evaluation process is drawing to an end, and I can provide an assurance that an extensive and robust evaluation methodology has been in place to ensure that bidders' proposals meet defence requirements and are evaluated on an equitable basis. All factors are being considered. The process has been led by a Ministry of Defence project team, although it has involved several hundred other training and estates subject matter experts. The relevant procurement rules have been carefully applied, and the work has been overseen by our own private finance unit specialists and independent academic experts to ensure there is a level playing field.

The project team and those involved in the evaluation have been commended by Professor Molyneaux, the independent auditor of our evaluation process and a leading expert in learning technologies, for operating with the utmost professionalism and objectivity throughout the process. The evaluation process has properly weighted the training element of bidders' proposals, including the ability to deliver distance learning in front-line command units, above other supporting and enabling capabilities, such as the future estate. It has also strongly emphasised the application of innovation in that process.

We therefore have good reason to expect a solution that best delivers value for money for defence specialist training. However, lower-priority factors, such as location, regional economic and sociological impacts, transport links and other related points will not be ignored. I am aware, for example, of the proposal to establish a national manufacturing skills academy in the west midlands. We welcome that initiative, which would have a role in achieving the Department's desire for national centres of excellence as part of preferred bidder negotiations, whichever bidder is successful.

As I have explained, I can make only limited comments on any likely use of sites at this competitive phase of the project, as I am sure that hon. Members understand. Those who have spoken have raised several specific points that go beyond the DTR, but I have not been able to cover them, because of time limitations. However, I shall make myself available to anyone who needs me to pick up any of those points afterwards or who needs to write to me.

However, I can also assure the House that there is no question of the MOD systematically withdrawing from the west midlands. Many options remain available for the use of existing MOD establishments in the region. I acknowledge that there might well be closures in the future, but we are actively pursuing numerous possibilities. We certainly recognise that change can be unsettling for individuals, so staff and the trade unions are being kept closely informed of the latest developments.

To conclude, I congratulate the hon. Member for The Wrekin on allowing us to talk about the excellent future that defence has in the midlands. I also congratulate all other hon. Members who have made a contribution.

Educational Activities (VAT)

12.30 pm

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): I am grateful to have the opportunity to introduce this topic. I ask your forbearance for the first minute or so, Mr. Hood, because during it you might wonder whether I have drifted into the wrong speech. If you bear with me, you will see that my opening remarks are extremely relevant to the substance of the discussion.

Last week, a famous institution closed its doors for the last time. North Westminster community school achieved many great things over the years, and many fine people worked and studied there, but ultimately, it was overwhelmed by the scale of the challenges it had to face. It had three times as many pupils entitled to free school dinners as the national average, twice as many pupils with a lower level of English as an additional language than even the Westminster council average, 64 languages spoken among its pupils and a fifth of its pupils were either statemented or had a school action plan. We needed something extraordinary, but in fact we had a huge, three-site school that was simply too hard to manage as effectively as was needed to deliver a quality education to those children.

Over the next 15 months, North Westminster community school will be replaced by three new academy schools. They will bring in £70 million of new investment, which will help transform secondary school provision in the borough. All of our three schools will be in wards that are among the most deprived in the UK. One of the academies, opening next year, is sited in Church street, which was found to be the most deprived ward in London according to the 2001 census.

Academies originally sponsored by Chelsfield and the United Learning Trust are opening in the Harrow road and Westbourne wards, both of which qualify for neighbourhood renewal funding on the basis of their deprivation. The neighbourhood served by the three academies has higher unemployment than Jarrow, from where the hunger marches originated, and a higher proportion of children in households dependent on benefit than most of Liverpool and Newcastle, areas traditionally associated with the highest deprivation in the country. Statistics produced by the primary care trust in its recent annual public health report showed that the ultimate indicator of inequality—life expectancy—varied by a staggering 16 years between the most affluent wards in Westminster and the Church street ward. Almost all our low-income families live in flats, and outside or open space is at a premium.

The level of need is starkly obvious not just for the schools themselves, but for what the buildings and facilities could contribute to improving the quality of life in the communities they serve. Yet, perversely, the buildings serving the neediest populations are saddled with a burden which will restrict the very thing we need the most.

The core of the problem is that academies, unlike local education authority schools, incur a liability for VAT on aspects of their construction and use. Academies are organised as charities, of course, which means that they can recover VAT, quite reasonably, on the construction of new schools. However, there are

[Ms Karen Buck]

three problems. First, VAT can be recovered only on the construction work itself. Architectural, surveying and other professional fees all attract VAT, which can amount to up to 10 per cent. of the cost of a building.

Secondly, zero-rating applies only to the construction of a new building. Full VAT is payable where an existing school is refurbished or an extension is built on to it. Given that land in areas such as mine—Westminster—is at such a premium, and that other restrictions frequently apply to its use, such as listed building status, that seems to impose a unnecessary penalty to making the best and most imaginative use of such space and facilities as we have.

Thirdly, and most relevant of all in the context of my remarks about deprivation, is the restriction that applies to the community use of the building. A relevant charitable purpose is defined, for this purpose as

"use by a charity in either...otherwise than in the course or furtherance of a business"

or

"as a village hall or similarly in providing social or recreational facilities for a local"

authority.

Her Majesty's Revenue and Customs regards the letting of facilities to community groups or others as constituting a business purpose, and as such, the amount of VAT that can be recovered is determined by the scale of lettings in the first 10 years. I also understand that the method of calculating the level of the VAT refund tends to result in a disproportionate part of the construction costs being attributed to any such business use.

Her Majesty's Revenue and Customs seems to take the view that anything generating income is, by definition, a business activity. That includes even the letting of a sports hall for a community football scheme such as that operated by our Bangladeshi-led London Tigers team; a parents' class supported by Sure Start; healthy-living activities operated by the primary care trust; or a forum organised under the auspices of our neighbourhood management programme.

In other words, the better the academies serve the community, by opening their doors and promoting the use of the buildings for extended school activities, the greater the penalty. On the one hand, we say that we want, and, in the case of academies, we specifically require through the nature of the funding agreements, school buildings to be open in the evenings, and on weekends and school holidays for adult learning, sports clubs, supplementary schools and so forth. On the other hand, we treat such lettings as a pure business activity, thereby, of course, making them more expensive than they need to be, and therefore either reducing demand, or shifting towards a different demographic from that which we want to appeal to most.

There is, of course, a 10 per cent. concession—on time, space or footfall—built into the calculations. However, it is not only inadequate to meet the needs and demands of full community use, but it imposes its own administrative burden. The school's management has constantly to monitor lettings to ensure that they do not exceed the permitted level. The United Learning Trust, for example, faces a frustrating and unnecessary constraint in letting facilities such as its art and music studios at the Lambeth academy, the state of the art rubber crumb pitch at the Northampton academy, which has a sports specialism and is much in demand within the local community, and the sports facilities at its two Sheffield academies, which are used for about a quarter of the time that the school is not in session. The ULT states that it is committed to allowing community use to the maximum extent possible under HMRC regulations, but it is simply not enough to meet the demands on its services.

Simon Hughes (North Southwark and Bermondsey) (LD): The hon. Lady and Ministers will know that in my constituency we have had the same long-running argument, meetings with Ministers and questions answered. We were led to believe that there would be a satisfactory resolution, particularly in relation to our city academy which has recently opened. Part of its premises took over a community park. That was agreed to only on the basis that it would be then open to the community not just for 10 per cent. of the time or less—or for 10 per cent. of the cost or less—but in the school holidays, in evenings and on weekends. There is great frustration that the promise of Government has not been fulfilled.

Ms Buck: The hon. Gentleman adds another example to my list. Indeed, exactly the same thing will happen when the Westminster academy opens its doors, when the building is completed in the early spring. It, too, will be taking over a series of sports facilities, which, although currently unsatisfactory, are free and open to the community. There are huge advantages in terms of safety and quality of service in having the academy take over some of that space, but implicit in the agreement was that its use would be open to the community. Yet, if a resolution is not found, we shall find ourselves coming up against exactly that same barrier.

At the risk of treading on political corns, I suggest that we need to do all we can to ensure that academies win hearts and minds, in the face of an indisputable fear in some quarters—one that I believe is wrong—that they will not turn outwards to the community. What seem to be arbitrary restrictions on the level of community lettings, or higher than necessary charges for such use, will do little to deliver those hearts and minds, and above all, will not help the still much needed transformation of our much challenged neighbourhoods.

As I have said, an LEA school does not have to bear a comparable cost, because it is able to recover VAT under a specific legislative provision: section 33 of the Value Added Tax Act 1994. What I am requesting, therefore, is that academies should either be brought into line with LEA schools for this purpose, or that a less restrictive application of the village hall exception be applied, to reduce the liability. Granting section 33 status would, I believe, resolve the problem more or less in its entirety. Applying the exclusion for business activities in a less restrictive manner, or accepting that, when letting our facilities, an academy functions as a building similar to a village hall in providing social or recreational facilities, offer two alternative, albeit slightly less satisfactory, options.

I have talked about academies because they are the starkest example, but many of the same points apply to colleges of further education, such as my much appreciated

City of Westminster college, which occupies a prime site in central London just off the Marylebone road and serves a very deprived student profile indeed. When that facility decides to decant and rebuild we will face exactly the same problem, even though ideally we would like the rebuilt City of Westminster college to do everything it can to ensure that its open and outdoor space serves the communities around it. I understand from the Association of Colleges that colleges as a whole paid more than £200 million in irrecoverable VAT last year.

I fully accept that EU rules limit the Government's flexibility. I also accept that, by definition, if VAT could not be recovered from academies and colleges in that way money would be lost to the Exchequer and other provision would be required. However, my worry is that, as in so many other examples—we have neighbourhood renewal funding, a neighbourhood management programme, Sure Start and a positive futures programme for young people—we are putting public money into community services such as our primary care trusts and our healthy living provision only to have a certain proportion returned in fees and charges for such facilities and if VAT is charged it goes back to the Treasury. There seems to be a bureaucratic spiral of money chasing itself, which we should be able to cut out.

I do not see any need to keep the subject under further review. My academies will open this year and we need those facilities to be in full community use straight away. We must act as quickly as possible or give a clear indication that action will be forthcoming. I look forward to hearing the Minister's response and I hope that, depending on what she can say today, we might be able to meet, perhaps in September, to discuss how this can be taken forward.

12.42 pm

The Paymaster General (Dawn Primarolo): I congratulate my hon. Friend the Member for Regent's Park and Kensington, North (Ms Buck) on raising this issue. I want to respond to her two central points and to her final point to suggest a way in which we can move the matter forward.

My hon. Friend's two basic concerns about academies are, first, VAT on conversion and extension of existing schools that become academies—the hon. Member for North Southwark and Bermondsey (Simon Hughes) also touched on that in terms of responsibilities that may be combined—and, secondly, the interaction between VAT relief for the construction of charitable buildings and the wider community use of academy facilities. My hon. Friend made a strong case and I agree that one of the purposes of academies is the wider use of their facilities by the community.

On the first point, I want to make clear what happens with VAT. VAT is chargeable on the conversion and extension of existing school buildings but, consistent with the general funding of public services and bodies, those VAT costs are taken into account by the Department for Education and Skills and the Treasury when funding is allocated for academies, including their educational activities. That VAT cost is not, therefore, an unfunded liability to the academies.

The general principle is that we do not have a tax on a tax. Academies are directly funded by the DFES, which receives its allocation from the Treasury, plus its VAT liability to balance the books. There is no circulation or movement of money because it is front-loaded. It is different from local authorities and the use of section 33 of the VAT Act 1994 simply because local authorities raise local taxation, so there is a slightly different interaction. Section 33 provides for the equivalent of what is given to the DFES to neutralise the VAT. My hon. Friend touched on further education colleges and it has always been understood that their funding arrangements and settlements take account of VAT costs.

An entirely new set of questions is now being asked. Having been given the VAT costs and perhaps spent it on other things, the academies now want to return to the pot for the VAT cost that they have already been funded for. There is some confusion and complexity there and my hon. Friend raised the important point of sorting the matter out clearly so that responsibilities are understood and academy facilities are properly used in the community. That deals with the central funding point. The VAT is provided when they receive the money. It is not unfunded.

The second point, which has been raised by a number of hon. Members in the House, concerns the operation of VAT rules and the 10 per cent. I should make it clear at the outset that the VAT rules do not prevent any academy from making facilities available for extended community use and making a small charge if they decide to do so. VAT should have no real impact—this is part of the problem and the quizzical "Why?"—on the extent to which a converted or refurbished school building is part of wider community use. However, I recognise that the VAT rules can impact on the extent to which some academies can offer their facilities on a chargeable basis. If they do not charge a fee, there is no VAT impact. The problem arises when they want to charge and that is the point that my hon. Friend made about the 10 per cent. That is the core issue that I want to address in my closing remarks.

Ms Buck: My right hon. Friend may not be able to answer this question now, but one of the key reasons for charging is to cover the cost of caretaking, security and insurance, for example, and I wonder whether that is liable to VAT or whether it is purely a profit element over and above the running costs.

Dawn Primarolo: Rather than going into the vagaries of the VAT system—that is not pertinent—I can give an example. The problem seems to be the scale of academies' use, and whether it tips past the 10 per cent. and is therefore considered business use if they make a charge. The method that Her Majesty's Customs and Revenue uses to calculate the extent of relevant charitable use of a building is to take a year as a whole, and an academy with 1,000 students could charge for extended services for an average of 50 people a day without any impact on the VAT relief for construction and still remain within the zero rate regardless. The issue is the scale of that use and whether it becomes a business use. The problem—I am sure that my hon. Friend will know this because she has served on Standing Committees of Finance Bills—is to protect the whole VAT system. It is a European tax so we are prevented from extending the zero rate and we cannot

[Dawn Primarolo]

behave unequally if something happens to be in the public sector because the position of other designated charities and so on would need to be addressed. I concede that that would not deal fully with the issue of unrestricted use that my hon. Friend raised, but it would represent substantial progress for academies.

The position with regard to VAT is that under our European agreements we cannot extend zero rates, because the academies are funded through the public sector. Instead, we put extra money in, and say, "Here's your funding plus the 17.5 per cent. VAT." That way, one does not have a VAT liability, because the VAT is included in the funding in the first place. That is how academies are funded. Although there have been discussions with representatives from the academies on the subject, we need to attempt to do that again.

My hon. Friend the Member for Regent's Park and Kensington, North, will appreciate that our European agreements govern how VAT reliefs work, and we cannot step outside of them. Access to section 33 has been for public bodies that raise local taxes, which academies do not; that is why they are not provided for under section 33. We fund them up front, so they have already got their VAT. We could not possibly attempt to extend zero rates beyond its current operation; the European Community would not allow it. However, I recognise that concerns are still being raised on the issue, including by my hon. Friend today.

Simon Hughes: Will the Minister give way?

Dawn Primarolo: I shall just make this point first. The hon. Gentleman has to address the issue; as a good European, he will appreciate what I am saying. If the academies are funded, and not only their construction costs but VAT costs are paid, why would we again fund the costs that we had already met? It would not be possible to make academies unique without causing problems elsewhere.

I have spoken to my officials, and I would like them to have discussions with academies again, because the issue still has not been sorted out, even though I understand that they got their financial advice from their accountants. I want to be absolutely satisfied that the existing VAT rules and the operation of the allowance within the zero rate are being used to the fullest extent. If not, we must make sure that they are, and we must discuss what assistance the Departments can give to ensure that. That has to be the first step, so although I am happy to meet my hon. Friend the Member for Regent's Park and Kensington, North, again in September or October, the first thing is to once more get representatives from the academies round the table with the officials, to find out exactly what the issues are and to find a way through under the current rules. If any matter is outstanding after that, my hon. Friend and I might need to have a discussion. That offers a positive way forward, because I absolutely accept the points made by my hon. Friend and the hon. Member for North Southwark and Bermondsey about the urgency with which we must sort out the issue.

Simon Hughes: I am sure that, like me, the hon. Member for Regent's Park and Kensington, North (Ms Buck) has been encouraged by the Paymaster General's response. First, about a year ago I went to see one of the Paymaster General's colleagues in the Department for Education and Skills. I was told that we were within sight of a combined Treasury-DFES decision—one that came within the European rules, which we all have to accept. What happened to that prospect of an immediate solution? It seems to have disappeared. Secondly, does she accept that the practical problem is that new-build city academies cannot plan maximum use of their space unless they have enough private funding coming in to cross-subsidise the community activity that will keep them open effectively round the clock—well, not 24 hours a day, but 18 hours a day, which is what was intended?

Dawn Primarolo: On the hon. Gentleman's first point, I have been the Minister with responsibility for the subject for some considerable time, and I am not aware that we had any imminent solution, but I shall certainly go back over the records. Perhaps he might like to disclose to me privately which DFES official—

Simon Hughes: Minister.

Dawn Primarolo: Sorry, which Minister told him that.

On the second issue, and on the point that I am trying to make, I am a little perplexed, in that academies' VAT is fully funded—it goes into the core grant—so why is the issue being raised? They have had the VAT money. However, sometimes we are talking about the interaction between charitable and business purposes, and that is always a difficult boundary. Where the academy offers its facilities for free, VAT is not an issue. It becomes an issue when academies wish to charge on a business basis for the use of the facilities. Then, the category becomes rather a difficult matter, as always in VAT law. That is what I want my officials to explore with the academies.

We will write to the academies' representative body after the debate, and I will send my hon. Friend the Member for Regent's Park and Kensington, North, a copy of the letter. We will ask them, as a result of this debate, to come in again for discussions on the specific issue—not to discuss section 33, but to discuss the operation of VAT. When I have the report of that meeting, we can focus, and I shall be happy to meet with my hon. Friend to consider the issues. Clearly, there will need to be discussions between the Treasury and the DFES on why they are experiencing the difficulty, and how the money from DFES to the academies is being processed.

I should make it clear that academies are entirely and wholly funded by the DFES, and therefore their VAT costs should be met. The problem occurs when the use of academies' facilities flips over into business use; then, rules apply that the rest of the economy has to work with, too, and we need to be careful about the boundaries. That is the point that I want to explore, so that there is no longer the detrimental effect that my hon. Friend, and the hon. Member for North Southwark and Bermondsey, clearly identified today. That detrimental effect could undermine future community use, and that would not be acceptable. If my hon. Friend is happy to leave the discussions until September, I will move them forward as quickly as I can.

Simon Hughes: I am happy to give the Paymaster General any other information. Will she add to her considerations the issue of those charitable bodies that are semi-educational, including youth clubs such as the Salmon youth centre? They have the same sorts of Treasury and VAT issues. I am happy to write to her to make sure that she is fully briefed about them, too.

Dawn Primarolo: No, I shall not add that to my considerations. The Treasury has undertaken two reviews into that difficult subject since 1997, one of which I conducted. Charities were given lots of concessions on the direct tax side—gift aid to name but one—because of the difficulties surrounding VAT business use and charitable use. Opening up our discussion into a wider debate about all charities will prevent us from finding a solution to the problem before us. The hon. Gentleman can certainly write to me, but I will not lump that subject with the subject of academies. I will address the question of academies with my hon. Friend the Member for Regent's Park and Kensington, North, after my officials have had the meeting. I apologise to the hon. Gentleman, but I will not move on that point.

Kosovo

12.59 pm

Mr. John Randall (Uxbridge) (Con): I am grateful to Mr. Speaker for allowing me to raise this important subject. I believe that today, in Vienna, the seventh round of talks on the future status of Kosovo is taking place. I do not intend to undertake an historical resumé, but my speech makes it clear that although we must move forward, we are wise when dealing with Kosovo or anywhere else to take lessons from the past and to remember that some issues run deep in the psyche of the nations involved and have done so for a long time.

I have taken up the subject of the Balkans because of my studies at university, but despite that, over the years in this place, I and others who have raised the matter have been regarded as apologists for certain regimes—in particular, the Milosevic regime. Before I entered this place, I was a member of a voluntary group in my constituency trying to ensure press freedom in what was then Yugoslavia, and I actively opposed many policies during that period.

The subject is far too important for us to engage in polemic. Whenever Serbia is mentioned, the stumbling block is compliance with the requirements of the International Criminal Court in The Hague. General Mladic would be top of the list—Radovan Karadzic is regarded as being not necessarily within the confines of Serbia. Every time I meet visiting politicians from the region, I say that I wish the situation could be resolved. Many—not all but most—of the visiting politicians and Serbs share that view. The Minister, because of his previous incarnation as Secretary of State for Defence, probably knows better than a mere Back Bencher such as myself whether there is anything that our country or NATO can do to help. It is a stumbling block, but we must get round it because it is so important, particularly in relation to the status of Kosovo.

We can always argue about whether mistakes were made, but what happened in 1999 happened and there is a de facto independent state within what is now Serbia and was previously Yugoslavia. Kosovo is a virtual protectorate, but whether it is run by the United Nations, NATO or the European Union, it cannot continue like that. The situation must be resolved. I am pleased that efforts to resolve its status have moved on in earnest in the past year. The Minister recently answered some questions from my hon. Friend the Member for Altrincham and Sale, West (Mr. Brady), and I was encouraged by much of what I read. I do not envy the Minister or anybody involved in that area, because there are no easy answers. The negotiating skills of all those involved will be tested.

The general aim seems to be to sort out the situation by the end of the year. Although that may be necessary and worth while, we must be careful not to rush into a quick and—apparently—easy answer. As we know from elsewhere in the world, if we get the answer wrong, it will come back to bite us and the region.

Serbia is an important country; it is fundamental to the whole Balkan region. It is important that we bring the Serbian nation back into mainstream European politics. I was delighted that last week the British Government invited Bosnian and Serbian delegates to come over together as part of a plan for European

[Mr. John Randall]

integration. We would all be pleased to go down that road, although it is a little way off. Some aspects of European integration are not as easy as they might seem on paper; although we might wish for them, they cannot be realised that easily.

The problem that worries me about the future status of Kosovo is the message that we might send out. If Kosovo were to become an independent country, there would be a question about its viability. Before all the problems, few people had heard of Kosovo. I have travelled around it, and although I do not know its equivalent size, it is not much bigger than a large English county. It is landlocked and poor, and I doubt that it could be a viable state. Recently, Montenegro became independent, and in the greater scheme of things, if there were a wider Balkan organisation, there might be some means of Kosovo becoming independent, too. Currently, however, an independent Kosovo would have to align itself with one or two other countries. An obvious country would be Albania—I doubt that Kosovan Albanians would be particularly delighted to work closely with Belgrade, however much we might wish it.

The British Government's position was, and officially still is, that Kosovo is a part of the country that was Yugoslavia, became Serbia and Montenegro, and is now Serbia. To change its status as proposed might set a difficult precedent for other regions of the world, and I would be interested to know how the Minister feels about the message it would send to other small regions where movements are trying to gain independence from the larger part of their country. Even in Serbia there are potential problems. I do not know what consideration has been given to the future status of Vojvodina, to the north, and whether granting independent status to Kosovo-Metohija might mean that more people in Vojvodina want to go down the same path. Historical differences exist, but thankfully, there has been no conflict, recent or otherwise, in that area.

Another problem is how we in the west, the contact group, or whomever, are to instil confidence in the minority peoples. In Kosovo, there are not only Serbs, but a variety of minority peoples, and no ethnic group lives within fixed borders. That is true throughout the Balkans. There is a mixture. You are probably aware, Mr. Hood, that the French for fruit salad is "macédoine", meaning Macedonia, because it is a mixture of different things. That is what makes the problems so difficult to resolve.

As most now realise, Kosovo runs deep in the heart of Serbian statehood and nationhood for historical reasons. Monuments going back to the middle ages testify to that integral part of its cultural and spiritual life. Unfortunately, a large number of them have been destroyed in recent years. Some have been protected by troops, but there are so many that it is probably impossible to protect any but the most important. There is real worry. The monuments are not just buildings—they mean a lot to the Serbs and, by the same token, for the Kosovan-Albanian population they stand for something else. I hope that we can get the message across that the monuments are part of their culture too.

However, that will be difficult. In Britain, we have got used over many centuries to waves of immigration, and by and large we have a pretty sound view on such things. As I have said in other debates, years ago I remember being almost physically attacked—certainly verbally attacked—just for speaking Serbian. I then realised that it was no good my showing off that I could speak the language; it was better for me to revert to English, which was safer all round. That reflects the nature of what has happened in the region over the centuries.

We need to give confidence, and the form of words will be crucial. Although, as I said, there may well ultimately be a European solution, I think that that, unfortunately, is decades away. What we do in the meantime is important. As the Minister knows—sadly, we all know it—such problems keep flaring up. We have only to look at the middle east today to see how, every so often, perceived or perhaps real, rights, wrongs and injustices are allowed to flare up in the hands of extremists, who want neither peace nor stability but have their own agenda. I worry that if we do not get the resolution right, it may seem that we have sorted it for the time being, but a generation or two down the line, that poor, unfortunate area of the Balkans will become the centre of strife in our own continent.

The most important thing is not flags and symbols, but getting people together to give them confidence. I end by telling the Minister that if in our own small way there is anything that I or the other members of the all-party group on Serbia and Montenegro can do to help work something out, we will be happy to do what we can.

1.14 pm

The Minister for Europe (Mr. Geoffrey Hoon): I congratulate the hon. Member for Uxbridge (Mr. Randall) on securing this debate at an important stage of the Kosovo status process. I shall respond directly to his offer of help; given his knowledge and experience of that part of the world, in which he takes a keen personal interest, I shall ascertain whether there are any opportunities to enlist him in our efforts. It is in the UK's strategic interest to work to ensure that the key part of Europe that we are discussing continues to leave the tragic events of the 1990s behind and moves ahead to a stable, prosperous, democratic European future.

I shall set the context for this debate by providing a brief update on the UN-led status process. Last week, UN special envoy for Kosovo and former Finnish President, Martti Ahtisaari, whom I saw very recently, briefed the UN Security Council on progress so far on technical-level talks on status-neutral issues such as decentralisation and the protection of religious sites. Those talks are continuing; indeed, negotiations on the protection of religious and cultural heritage sites are taking place in Vienna today.

Martti Ahtisaari also signalled his intention to move in parallel to the important next phase: direct, high-level talks on status. That stage will continue over the summer, and he plans to brief a ministerial meeting of the contact group in the margins of the UN General Assembly in New York in September. We expect him to work with the parties and the contact group to draw up and agree proposals for a settlement, and to present his recommendations to the Security Council in the autumn.

President Ahtisaari was appointed by the UN Secretary-General, and his appointment was endorsed by the Security Council. The Government support him and his team fully, and stand ready to assist in our national capacity, as well as through the contact group, the Security Council, the European Union and NATO.

The hon. Gentleman asked about the Government's thinking on the status process's possible outcomes. It is for Martti Ahtisaari to make his recommendations, and as I said, he will have our full support. Our hope is that the issues can be resolved through a negotiated agreement. However, if in the UN special envoy's view, an agreed settlement is not possible, the international community must be prepared to draw the necessary conclusions and face up to its responsibilities.

The contact group has set out conditions for the negotiating process and the outcome in a set of guiding principles, endorsed by the Security Council, and in a ministerial statement following a meeting in London in January. The texts make clear that Kosovo cannot return to the situation of before 1999; that it cannot be partitioned; that it cannot join in union with any, or part of any, other country; and that the settlement must be acceptable to the people of Kosovo.

The conditions also stipulate that every effort should be made to conclude the process by the end of 2006, and that, having started, it cannot be blocked. There seems little to be gained by extending the process because one or both parties refuse to engage constructively, but there is a considerable risk of instability and unrest if the negotiations become bogged down or appear to be open-ended. In the interests of Kosovo, of neighbouring countries and of the region as a whole, it is important that the status process conclude as soon as possible, and in a way that achieves a sustainable, democratic, multi-ethnic Kosovo.

It is not for me to prejudge where the current negotiations might end up or what will be the recommendations of the UN special envoy. However, it is fair to say that there is growing international recognition that one option is likely to involve some form of independence—qualified by a robust international civilian and military presence, and with cast-iron guarantees protecting the rights and security of the Kosovo-Serbs and other minorities. Such an outcome would be consistent with the guiding principles and ministerial statement agreed by the contact group.

It is perfectly understandable why the Kosovo-Serbs feel insecure in this period of uncertainty and transition. Belgrade should seek to ease that insecurity and encourage the Kosovo-Serbs to take practical advantage of the new arrangements designed to improve their lives as an integral part of Kosovo society.

No one in the international community wants to damage the interests of Serbia. Indeed, for the first time in its long and difficult history, Serbia is being offered the prosperity and security that would come from membership, ultimately, of the European Union and NATO. Serbia should look to the future, to accept that regional stability requires a settlement acceptable to the people of Kosovo and that events since 1989 have created political realities and shaped public attitudes in Kosovo.

For its own sake, and that of the Serbian community in Kosovo, Belgrade needs to think through its current approach. Although not strictly relevant to the Kosovo debate, that also applies to Belgrade's attitude to co-operating with the International War Crimes Tribunal in The Hague.

Nobody pretends that there is a perfect solution. Dispassionate analysis of the options is needed to identify and define the one that stands the best chance of delivering the outcome that we want for Kosovo and Serbia: stability, democracy, prosperity, multi-ethnicity, and with sights firmly set on a future in the European family. That is why we remain fully supportive of the UN process, led by UN special envoy Martti Ahtisaari.

1.19 pm

Sitting suspended.

Worklessness and Poverty (West Ham)

1.25 pm

Lyn Brown (West Ham) (Lab): I want to deal with three things that affect poverty and income in my constituency: the minimum wage, the campaign for a living wage for Londoners and the poverty trap, which contributes to continuing high levels of worklessness, limits the aspirations and economic advancement of those on low wages in London and holds back reductions in child poverty and health inequalities. Finally, I want to suggest for consideration things that could be done to improve the lot of those living in my constituency on low incomes.

Despite the popular image of London as a roaring economic success—the London of city bonuses and champagne charlies that holds a place in the national imagination—there is also a London of real economic deprivation and hardship in which many struggle to survive. Those people are the workless and the hundreds of thousands of workers who service London's economic success: the cleaners, caterers and porters, to name a few. Their stories are shaming, and the facts are stark.

If we exclude pensioner households in 2003-04, one half of the people in income-deprived households had someone in employment in their homes; in other words, one half of the problem of poverty among non-pensioners is now about poverty in work. The UK is the fourth biggest economy in the world, and London is at the core of its wealth, yet 41 per cent. of the children in London are growing up in poverty. London is way ahead of the region with the second most deprivation. In the west Midlands, 32 per cent. of the children are affected by poverty.

Poverty costs us as a country and as a society, yet it was almost impossible to get official recognition of the existence of poverty among British citizens, particularly working British citizens, before this Government came to power. We have moved on since then with the introduction of the minimum wage and a system of tax credits, but we need to go further.

I pay tribute to the living wage unit, which has led some ground-breaking work at the Greater London authority. It has been aided by technical support from the family budget unit, which is a charity that undertakes comparative living standards and living costs analyses. It defines a low-cost but acceptable standard of living as one that achieves an adequate level of warmth and shelter, a healthy, palatable diet, social integration and avoidance of chronic stress for earners and their dependents. It uses a shopping basket technique to arrive at an across-the-board average for meeting the standard. The figure for Londoners after benefits and tax credits are taken into account is about £6.15 an hour.

The figure is an average. As many people fall below it, the unit increases it by 15 per cent. to £7.05 to come up with the difference between a poverty threshold wage and a living wage. To give a reality check, the families in such households do not smoke or drink, and do not have a car.

The family budget unit's original estimates were based on living costs in York. For London, costs have been calculated to be 31 per cent. higher than those in York for a couple—one working full-time and one working part-time—with two children, 35 per cent. higher for a working single parent, and 28 per cent. higher for a single person. Those are staggering figures.

It is in private rents that there is such a huge gulf between costs faced by Londoners, who cannot afford to buy and cannot get into social housing, and the rest of the country. Private rented, two-bedroom flats subject to housing benefits claims in 2004-05 averaged £165 a week in London, £77 in the north-west and £92 in the south-west, and that is what we need to focus on.

My constituents raise the issue with me constantly. Unless they live in the public sector and have a relatively low rent they find it so difficult to work. We must acknowledge the difficulty in establishing national minimum levels of disposable income while these inequalities in housing costs exist; £7.05 is a living wage for a low-cost but acceptable standard of living, assuming that all benefits and credits are received, so how does the national minimum wage compare? The answer is not very well; it has been catching up fast, but progress now appears to be at risk. Between September 2005 and October 2006, the minimum wage will have risen from £4.85 to £5.25, an increase of 8 per cent. However, in the Low Pay Commission's report this year, Adair Turner writes that

> "looking forward, the Commission will start with no presumption that further increases above average earnings are required".

That is not good news for Londoners.

Supported by the Mayor, London's living wage campaign has begun to deliver real successes and I pay tribute to the Mayor and to The East London Community Organisation—Telco—for their very effective strategies, which have been really successful. Telco and the Transport and General Workers Union campaigned to raise the hourly rate of cleaners working in banks who were earning as little as £4.20 an hour.

In 2004, Barclays bank increased the pay to contract cleaners to £6 an hour in its new headquarters in Canary Wharf, with 15 days' entitlement to sick pay and eight extra days' holiday; two months later, HSBC topped that. Following threatened demonstrations, the Deutsche bank in the City agreed to pay its cleaners a significant increase to a living wage level. Deutsche bank made a profit of £674 million in the last quarter. The increase in pay to its cleaners will cost it an estimated £350,000 a year, which clearly will not cause the bank any pain or any detectable dent in its profits.

It is time to change the culture; employers need to know that we as taxpayers are not prepared to subsidise bad employment practice, because that is effectively what we are doing. Despite the successes I have mentioned, and others, there is a long way to go; in London, one in seven employees receives less than the poverty wages of £6.15 an hour, and one in five less than the living wage of £7.05 an hour. London is Britain's low-wage capital as well as its snouts-in-the-trough capital.

The reason for this debate is to put some important questions on the table: is it possible to have differential minimum wage policies for different regions, thus recognising the massive differences in the cost of living within the United Kingdom? Would the London economy sustain differential wages? What would be the impact on the regional and national economies?

Sarah McCarthy-Fry (Portsmouth, North) (Lab/Co-op): Given that there is already a London weighting allowance, does my hon. Friend agree that that analogy should apply to the minimum wage?

Lyn Brown: I thank my hon. Friend for that example, which is a logical extension of the issues that are clearly seen in the pay of civil servants and, indeed, Members of Parliament. There is a London weighting for those in inner-London constituencies which there is not in the minimum wage.

In my introduction I said that I wanted to reflect on the poverty trap, which will not be solved even by the living wage. Wage increases mean that some lose their tax credits, some their housing benefits, and some pay more tax and national insurance; all pay a marginal tax rate that would make a banker's eyes water. This is not an argument against the living wage—far from it—but an argument that seeks to highlight the other difficulties faced by communities who want to work.

I shall give an illustration of how the poverty trap works. The social regeneration unit of the London Borough of Newham—a fabulous, dedicated group of people— worked out the consequences of an increase from the national minimum wage to the living wage for my constituents—from £5.05 an hour to £7.05—for a couple with a three-year-old child who between them work a 50-hour week, and who pay an average private rent for the area and average council tax. Let us imagine that the employers have an "A Christmas Carol" moment, and decide to move my constituents up from the minimum wage to that magic living wage figure of £7.05 an hour, an increase of 40 per cent. in gross earnings. What happens? They get £100 more in gross income; less tax credit; less housing benefit; less council tax benefit; more PAYE; more national insurance. They see £10.31 of their £100 increase. In other words, a marginal tax rate of 88.7 per cent.

I have lost count of the number of constituents who have raised this issue with me. I have constituents who have asked their employers to retract their wage increase because they were worse off than they were before they received it. I have constituents who work part-time who want to increase their hours to full time, who want to progress at work, to have a career and to access shared-ownership housing schemes but who simply cannot afford the additional rent they would have to find for their private rented accommodation to take that first step. They find themselves in the poverty trap, and cannot find their way out.

We must do something to ensure that the real gains of this Labour Government are not defeated by the poverty trap. In the case that I described the hourly rate of the individuals concerned would need to be doubled to ensure that their wages took them beyond its grasp. Doubling wages is unrealistic, so we have to find alternative solutions.

The poverty trap is too complex an issue to address in detail here, and there is no easy consensus. There are attractions in addressing housing benefit, for example, which is at the end of the food chain of the tax and benefit system, by increasing earnings disregards and reducing the rate of withdrawal of benefit as income rises. But I am aware that that moderates but also extends the problem up the income scale, and it is only tinkering. We need to be bold; frankly, we need to think outside the box.

I have four over-riding questions. First, is there a way to recognise the huge differential in living and housing costs through some form of differential minimum wage policy for the capital? We would need to assess the impact of such a policy on regional labour markets.

Secondly, can we, and should we, raise the threshold of income tax and national insurance to larger groups of workers? Should that be nationwide or regional? Should there be regional variations in tax codes, for example?

Thirdly, can we address some of the underlying factors that make the problem of poverty pay such a difficult nut to crack—for example, the continued existence of a deep poverty trap, and a shortage of housing that is affordable to those who want to work? Would the Government consider appointing a panel of experts to make one more effort to solve the poverty trap that is the key to working incentives?

Fourthly, should we make a commitment to continue to increase the national minimum wage at a rate that is significantly higher than inflation, as we have done in recent years, as a major contribution to the promise to reduce child poverty? Such a commitment needs to take account of the painless increases in the minimum wage in past years, and the real benefit of local spending to the economies of deprived areas.

It would be reasonable to ask what my proposals are on such an issue. I have argued that London has a particularly acute problem of low wages, which impacts gravely on child poverty and health inequalities, a cycle of deprivation that is reflected in the poverty indices. It is exacerbated by a cost of living far in excess of that of most of the rest of the country. Finding solutions to these problems is clearly not easy, otherwise we would have found them.

It is a complex subject. We need to review the inter-relationship of the benefits available to in-work families and the taxation paid by them, with a view to diminishing the deep poverty trap. We need also to build on discussions with the Department of Trade and Industry about socially irresponsible contracting; to create an equivalent to the Greater London authority's living wage unit in all regions of Britain; and to review the terms of reference of the Low Pay Commission. Finally, we need to create regional living wage strategies that integrate with neighbourhood renewal and regeneration, particularly to ensure that workers in low-paid sectors in deprived areas benefit from Government investment. I accept that they are not glamorous or headline-grabbing proposals, but neither are they impractical.

One thing that the Government have done really well over the years is to change the terms of the debate and to shift the middle ground. I want the middle ground to be shifted again so that it will no longer be acceptable for the armies of low-paid workers to remain unrecognised at the cost of society's well-being. A wage that achieves an adequate level of warmth and shelter, a healthy and palatable diet, social integration and the avoidance of chronic stress for earners and their dependents is an entirely reasonable policy step. It

[Lyn Brown]

would build on the concept of the minimum wage, and it is an essential prerequisite for the objectives that would reduce inequality to which we on this side of the House are fiercely and strongly committed.

1.41 pm

The Paymaster General (Dawn Primarolo): I congratulate my hon. Friend the Member for West Ham (Lyn Brown) on securing the debate, which is on the impact of the Government's economic policies on worklessness and poverty in West Ham. Those listening this afternoon will immediately have recognised why she deserves her reputation as a great champion for her constituents, particularly those who, because of grinding poverty, are least able to speak for themselves.

I shall outline the Government's strategy in tackling the issues that my hon. Friend has identified, touch on London's particular problems, and conclude by answering the points that she raised. The Government's long-term goal is employment opportunity for all—a modern definition of full employment—and ensuring that employment pays, which is what my hon. Friend wants. Delivering that requires that everyone should be provided with the support that they need to find employment and to develop skills—and, indeed, to earn a decent wage. As she knows, the Government are firmly of the view that the best route out of poverty is paid employment of the sort that enables people to live their lives constructively.

The Government have taken many important decisions to help achieve that goal. As my hon. Friend said, we introduced a national minimum wage, and I shall return to that subject later. We have also reformed the tax and benefit system, and substantially increased the gains of working for most groups. In particular, the working tax credit ensures that everyone has improved incentives to work, which consequently tackles the unemployment trap. A single person living in London, with housing costs of £80 a week, would see a £40 per week gain from full-time work at the national minimum wage; and a lone parent facing housing costs of £120 per week would gain £63 per week when working full-time work at the minimum wage.

The number of people in employment has risen by 2.4 million, and our employment rate is 74.5 per cent., the second highest among the G8 and close to record highs. However, as my hon. Friend said, London's labour market poses particular challenges. Of all the regions, London—if I may call the capital city a region—has shown the smallest improvement in employment rates since 1997.

In 2005, London's employment rate was 69 per cent., compared with 75 per cent. in the rest of the UK. That is despite the fact that London has created new jobs at an average rate of 70,000 a year since the early 1990s. The people coming to London have made the difference. London's population differs from the rest of the country in many ways. It is home to more people with the characteristics associated with disadvantage in the labour market, and it is home to more people with multiple barriers to work. Skills and mobility problems are key factors in the relatively high rates of worklessness in the capital. Another is housing.

Our policy response has been based on national welfare-to-work policies, including the new deal and, more recently, pathways to work. Those policies have helped. We have seen them working in West Ham; between 1997 and 2006, we saw a reduction of more than 2,000 in the number of unemployed claimants. Indeed, the new deal has made headway; as my hon. Friend acknowledges, it has helped nearly 4,000 people in West Ham.

The Government are also providing additional resources for area-based initiatives. For instance, my hon. Friend is aware of the action teams, one of which operates in the Newham area. The actions teams target those who face serious challenges to getting work or staying in work, and they often concentrate on the groups that are hardest to reach, including the long-term unemployed.

In addition, in the welfare reform Green Paper, my right hon. Friend the Secretary of State for Work and Pensions proposes a city strategy to address questions of worklessness in urban areas. The strategy is aimed at improving co-ordination at the local level. It will be a valuable tool, and we will need to build on it to address the points raised by my hon. Friend.

My hon. Friend has been a great champion for the Olympics in 2012, as they will provide some 12,000 jobs. We must ensure that investment in the Olympics creates decent jobs that will go to my hon. Friend's constituents and others who live in the area.

The Government's strategy has four separate strands. They are to provide financial support for families that need it; to support employment opportunity for all; to tackle material deprivation, which is what my hon. Friend rightly concentrated on; and to deliver excellent public services, one of which is housing. We are providing financial support and making the necessary reform, but we need to build on that. We are creating employment opportunities, but we need to do more. We are tackling material deprivation by promoting financial inclusion and improving housing, which is a great challenge in the capital. We are also delivering excellent public services in order to improve children's life chances and to deal now with the poverty that my hon. Friend describes. I know that she wants us to break that vicious cycle.

My hon. Friend went on to raise further matters, and I shall briefly respond. We need to explore, outside today's debate, how the city challenges in the welfare Green Paper might focus much more on London and working in partnership. I turn first to the national minimum wage.

Variations in the national minimum wage are already vast, and not just between London and the rest of the country. There are also variations within regions. For instance, my region of the south-west includes Cornwall and Bristol, but the variations can be enormous in terms of labour market opportunities. Trying to respond to regional differences would make the national minimum wage impossible to operate and, more important, impossible to police. It would increase the chances of it being exploited by those few employers who would try to pay below the national minimum wage.

We take advice from the Low Pay Commission, which has considered the issue. The commission is our expert panel and is independent. I do not know whether it is possible to ask the commission, in light of the welfare reform Green Paper, to consider specifically the issues in cities. Those who represent rural areas might say that the situation is the same in some isolated rural areas, but perhaps we can pick up the issue and see whether the commission can take it forward. However, regional variations in the minimum wage would be a nightmare and difficult to enforce.

Housing benefit already takes into account regional differences in housing costs, and of course people's eligibility fluctuates according to whether their rent is lower or higher. A great deal of work has been done on trying to reduce the tapers and the effect of the tapers on housing benefit and therefore the marginal rate of tax that my hon. Friend described. The solution is to provide decent jobs that are well paid and to invest in public services, and the Government are confident that that can be done in London.

My hon. Friend touched on the use of tax codes. The Government strategy has been to try to lift families out of paying tax, and I think that she will be familiar with the following figure because she heard me give it only last week. In 1997, fewer than 2.5 million families paid no tax; now, more than 3 million families pay no tax. The effect of our measures, particularly tax credits and child benefit, has been to lift families out of tax.

The recent Organisation for Economic Co-operation and Development figures show that the gross tax of a one-earner family of two adults and two children on about £21,000 a year has gone down from just over 19 per cent. to about 9 per cent. Their exposure to tax has been reduced. Again, that has been done by using the main planks of policy that I have described.

I encourage my hon. Friend to keep pushing the points that she has made and to keep challenging the Government in this crucial area, which is about people getting out of the poverty trap and breaking the cycle. We need to recognise the combination of factors involved, including housing, employment, lack of child care, other social deprivation indicators and special additional support in respect of skills or language if English is not the first language. In particular, we need to continue with the strong partnership that has developed with the Greater London authority and the Mayor's office in examining the particular challenges in London—not in wealthy parts of London but in constituencies such as that represented by my hon. Friend—to ensure that the Government's policy finally puts an end to the vicious poverty cycle that her constituents are experiencing. She is so right to champion their cause, and again I congratulate her on obtaining the debate. I do not have instant solutions for her today, but I hope that she will be reassured that the Government have the levers in place, although we need to do more.

Question put and agreed to.

Adjourned accordingly at seven minutes to Two o'clock.

Westminster Hall

Wednesday 19 July 2006

[DEREK CONWAY *in the Chair*]

Buncefield Oil Depot Fire

Motion made, and Question proposed, That the sitting be now adjourned.—*[Kevin Brennan.]*

9.30 am

Derek Conway (in the Chair): Before I call Mr. Penning, I should say that as it is the hottest day of the year, it is in order for hon. Members to remove their jackets—particularly those who have not already done so.

Mike Penning (Hemel Hempstead) (Con): It is a pleasure to serve under your chairmanship, Mr. Conway. I thank colleagues for getting up so early to come to our first debate on the Buncefield incident, and the Minister for taking the time and having the consideration to meet me yesterday to discuss the Buncefield inquiry.

At 1 minute past 6 on 11 December, an explosion registering 2.7 on the Richter scale rocked my constituency and neighbouring constituencies across Hertfordshire and the other home counties and parts of London. Tank 12 had been letting a rather large amount—200 tonnes—of unleaded fuel escape for a considerable time, and the vapour exploded in the car park areas of the Northgate and Fuji buildings on Mayland industrial estate. It was the largest explosion on mainland Europe since the second world war. Everybody accepts that the subsequent explosion and fire tested our emergency services to the extreme. We are all very proud of the absolutely fantastic job that they did.

I fully accept that the incident could not have been predicted. There had been similar, although not identical, incidents around the world, but as a former fireman, I am all too aware that no one had trained or prepared for an explosion of that magnitude or for a subsequent fire and explosions. I reiterate my admiration for the firefighters who came from all over the country to help my constituents in that national disaster.

Bob Spink (Castle Point) (Con): My hon. Friend has served his constituents with great assiduity. I am sure that this will not be the last time that he brings this matter before the House.

Does my hon. Friend acknowledge the great efforts and skill of the Essex fire service, which featured in the incident? Is he aware that its firemen got their skills because of the Canvey Island calor gas importation site, the first such site for liquefied natural gas in the world? It now takes liquefied petroleum gas from ships in the Thames and there is a proposal to change it so that it can take a full 5 per cent. of the nation's total energy need in LNG across Canvey Island. As everyone here will understand, that is raising local fears.

We must learn any possible lessons from the Buncefield fire. Will my hon. Friend explain later why the early detection systems at Buncefield failed to warn of the developing clouds of vapour that had been rolling around for 20 or 30 minutes prior to the explosion? That is a key point.

Mike Penning: My hon. Friend makes a valid point. I should declare an interest as a former fireman, and not only in Essex. I trained on the foam monitor that protects the installation to which he refers. It was a pleasure to do a lot of training at Canvey Island and the neighbouring Coryton refineries. Some would say that I had an inside knowledge of the explosion and depot fire long before I came to this House.

My hon. Friend is absolutely right that without the expertise of the Essex brigade and others—particularly the Essex brigade, because Essex has so many refinery installations and LPG facilities—we would really have struggled. I pay tribute to the Essex fire service.

On my hon. Friend's second point, I will elaborate on the value of the safety devices at the depot, which has a knock-on effect for all depots and installations around the country. I have had the pleasure of taking some hon. Members around Buncefield to show them what happened. If any other hon. Member would like to visit, that could be arranged.

I was massively impressed with the national disaster plan that the Government have brought into force since they came into power. We could not even have tackled the Buncefield fire had not high-velocity pumps been purchased and training been done with them. Although we had major problems with water supply, the one thing that we did not have a problem with, once the high-velocity and high-powered pumps arrived, was capacity. However, we did not have the knowledge of what would happen once the firefighters started to fight the fire.

The Buncefield site is a national facility, part of almost a national grid of fuel for this nation. It was built in 1968. At the time, it was a stand-alone installation: there were very few buildings around it, although a couple of residential properties in my and neighbouring constituencies were quite close. In 1968, the decision was naturally made that the risk to properties around the site was minimal as there were so few of them. However, that is a long time ago now, and over the years there has been a substantial encroachment of building around the depot.

Some blame has been attributed to the local authority. People have asked why it gave permission for building around the Buncefield site. However, the legislation is clear: any local authority has to look at a planning application put to it. The authority had to ask permission or request information from the Health and Safety Executive to find out whether the development around the Buncefield depot was suitable and safe, and I understand from my local authority that on every occasion that it was asked, the Health and Safety Executive said that it could not see any problems. I have looked at the paperwork and understand that that is correct. I am afraid that it will probably fall to the inquiry to decide who was responsible and when mistakes were made, but on the planning side, I wish to emphasise that Dacorum borough council was

[Mike Penning]

exemplary in its role of making sure that no planning went ahead if any risk had been indicated by the HSE.

Some buildings were still being constructed literally days before the explosion took place. Some had been handed over to new owners by the developers the day before the explosion. I am particularly proud recently to have chaired a project called 20/20 Vision for the regeneration of my constituency, particularly the town and shopping centre, and the industrial area. Long before the Buncefield incident, we recognised that there was a major need to regenerate the area because in the 1950s the requirements of an industrial park were completely different from those of the 21st century. That project was well on its way before the Buncefield explosion.

I shall talk about the fire, but the explosion was the devastating thing. Yesterday morning, I had the honour of taking the Secretary of State for Communities and Local Government around the Buncefield site. I also had the pleasure of taking the Deputy Prime Minister, in his previous capacity, around the site. Everybody who goes is simply shocked at the sheer devastation created by the explosion and subsequent fire. The Northgate organisation is wonderful—one of the things it does is operate the pay roll for the NHS. The Northgate building was absolutely devastated by the explosion: inside it, an eight-pump fire ensued, which alone would constitute a major incident.

What has to be addressed is what happened in the build-up to the explosion. I am conscious that I and colleagues must be careful in this debate not to jeopardise any possible prosecutions. If I move too far that way, perhaps the Minister would gag me immediately. I have no doubt that his officials will help him.

I desperately want to find out what has happened since the fire was put out by our brilliant fire service. The Deputy Prime Minister made a statement to the House the following day, which I praised. When asked specifically who was in charge of the Buncefield incident, he stated categorically that he was in charge. I discussed with him on several occasions what would happen after the fire was put out and how matters would progress, especially in respect of the environment, planning and the obvious need for an inquiry. As a new MP, I sometimes got a little lost in those negotiations, in which the civil servants told us one thing but probably did another. However, we achieved a broad remit for the inquiry through the negotiations.

The Deputy Prime Minister and I discussed whether we should have an open and public inquiry similar to the Marchioness inquiry. I pushed for that simply for the sake of natural justice, not only for my constituents but for the country as a whole. If we can have an open dialogue about what happened at Buncefield, there will be more confidence throughout the country not only that such an incident will not occur again but that nothing has been brushed under the carpet or in any way left out because it may cause embarrassment. I am not saying that that is the case, but it is a natural assumption about anything that is done behind closed doors.

After a couple of days of negotiations with the Deputy Prime Minister, I was informed that he was not in charge but that the Secretary of State for Work and Pensions was responsible for the inquiry. I gather that that is why a Minister from that Department is with us this morning.

Mr. Tim Boswell (Daventry) (Con): Does my hon. Friend agree that it is important in such circumstances to differentiate the immediate crisis response, which may be properly delegated to any senior Minister, from the follow-up action after the immediate crisis is past? Is it not the most important thing that Ministers can do to make it clear and announce publicly when responsibility transfers, if that is necessary, rather than having it wrung out of them in discussions?

Mike Penning: I could not agree more. That is exactly why I asked Mr. Speaker for this Adjournment debate. Sadly, seven months after the Deputy Prime Minister's initial statement, many Ministers have come and gone. Many Secretaries of State have come to the constituency to have their photos taken and to say nice things about how well we are doing—I will come to the needs and aspirations of my community in a moment—but no one knew then or knows now who is in charge of the Buncefield incident.

It is clear that the inquiry falls under the remit of the Department for Work and Pensions. However, the Office of the Deputy Prime Minister has become the Department for Communities and Local Government. No one has come to the House and said to the country that a certain Minister is in charge, that he has a budget and that he will ensure that, whatever happens, all aspects of the Buncefield disaster will be addressed. That worries me. Further to what my hon. Friend said, I am being bounced from Minister to Minister as I try to find out who is in charge of which bit on which day. There was some surprise that this debate comes within the remit of the DWP. Many people expected a Minister from the Department for Communities and Local Government, but because the inquiry is continuing, immediately one talks about Buncefield, the matter comes under the umbrella of the DWP.

I wish to discuss the health and safety inquiry. I have nothing but admiration for the expertise and the hard work of the inquiry board headed by Lord Newton. Its job is difficult and technical. It has been good at providing briefings that are as simple as possible—without too much jargon—so that I can understand what is happening and what the inquiry has covered. It has had real difficulty in getting historical data, but it has done an absolutely wonderful job.

However, I have said since day one—I said this earlier in my comments—that the public sense of natural justice requires that whatever happens in the inquiry must be fair and seen to be fair. There is great concern that it continues behind closed doors. I regularly meet with representatives of my local business community, which has been and continues to be massively affected by the Buncefield incident. Some 4,000 jobs are still at risk. I still have regular meetings with companies in which I say, "Give us time, stay with us while the inquiry is taking place," and their reply is, "What is happening with the inquiry?" My residents still come to me several months on. Only this past weekend, I met with residents of the Leatherstock green area of my constituency who are about to have the roof of their home removed. They had remedial repairs done but have suddenly discovered that there are structural problems and that the whole roof will have to be removed. They thought that they were over all such problems.

I went around my constituency this past weekend to discuss my constituents' concerns with them before this debate so that I could highlight them as accurately as possible. People are still talking about their fears about the future of the depot—sadly, people are still experiencing nightmares and flashbacks—and why the inquiry is being held behind closed doors. I have reiterated from day one that the inquiry should be open and public, along the lines of the Marchioness inquiry, and not long drawn out. My great fear is that the process will take years and years.

What really tips me over the edge is not only that the HSE should not be conducting the inquiry behind closed doors but that it must address the safety failures to which my hon. Friend the Member for Castle Point (Bob Spink) referred. They were mentioned in the fourth interim report, which was released last Thursday. The report is open in saying that there were catastrophic failures involving safety and back-up mechanisms, but for many years HSE was responsible for inspecting and approving the site and changes to it, and the safety devices. If the HSE inspects something, we expect that it has done so rigorously and that everything is perfectly safe.

Bob Spink: As I said, there is an LNG site in my constituency. I have met with all the emergency services and the HSE to go through all the safety systems and devices on that site to ensure that the testing procedures for them have been checked and double-checked, and that new procedures that more accurately reflect the reality of the situation that occurred at Buncefield are developed in order to test the devices. The public need to know that the safety procedures will work.

Mike Penning: My hon. Friend raises exactly the issue that I was coming to. The public must have confidence in the Government agency that is inspecting the depots and saying that they are safe. There are many such depots around the country, some of them much larger than Buncefield. It does not matter whether the inspection and approval of a facility occurred a week, a year or 10 years before, the public will always wonder why the HSE inspects itself. The public will see that a major part of the inquiry's remit is to find out what went wrong, but that the HSE was part and parcel of the organisation that said that the depot was safe. They will ask themselves how the HSE can inspect the site and carry out an inquiry—possibly into its own actions—behind closed doors.

The situation is extraordinary. We were very lucky that no one died, so the police involvement has essentially been zero, and the HSE has gone ahead with the inquiry. That will take a considerable time, and we are lucky to have an independent chairman, Lord Newton, who has been absolutely brilliant at informing me about what is going on. None the less, like every other member of the public, I have no idea what evidence has been submitted to the inquiry or what is going on. If there were to be a criminal prosecution, however, the organisation that was responsible for the safety of the depot and its workers, as well as that of the residents around it, surely could not be judge, jury and defendant.

That is the most difficult thing to grasp, and I do not understand how we can have a situation in the 21st century in which the HSE—a Government agency—investigates the explosion and the subsequent fire when it was so integral to the depot's safety before the fire. I shall continue to call for a full public inquiry by an independent board to be started as soon as possible. I am not saying that the HSE should not make its expertise available to the board, and perhaps even be part of it, but it is imperative that justice is seen to be done when so many of my constituents and others around the country are so worried about the effects of the fire.

Let us dwell for a second on how lucky we were. The vapour initially exploded in the car park. A breeze—it was a real act of God—had moved the vapour from beside the tanks, which were in the depot, into the car park, which was just outside it. If the explosion had taken place in the depot, no one there would have survived, and the fire and the explosions that subsequently affected the area would have been even more severe. I think that the inquiry would probably agree with that view; I know that the chief fire officer does

Some 31,000 people worked in the industrial area, and the explosion damaged their buildings. Some 2,500 people were evacuated from homes that had been damaged or were in what the fire brigade decided should be an exclusion zone, because there was a risk of further explosions. Just to show how fantastic my community is, I should say that of the 2,500 people who were taken out of their homes, just over 200 were put up by the local authority; the rest were looked after by loved ones and friends in the community of Hemel Hempstead. That clearly shows how well members of the community pulled together.

The council did a fantastic job. Many of its staff were way out of their remit and had little experience of such incidents. Let me publicly express my admiration for all the council's workers, and particularly its senior management, who were absolutely brilliant and whose control room was up and operating very quickly. Organisations such as the women's institute and the Red Cross were simply fantastic—we could probably have put the fire out with the amount of tea that they supplied. Typically, when this country comes under attack, we pull together, and this was an attack on our community.

I want to give colleagues time to speak, so I come now to my last point, which relates to my great concern about the environment in and around my constituency. I am concerned not only about the Buncefield explosion, but about the chemicals that have been found in the environment, which the report clearly indicates have nothing to do with Buncefield. I refer, in particular, to perfluorooctane sulphonate. PFOS is a particularly nasty carcinogen used in firefighting foams whose dangers have been known for many years. Before Buncefield, the Government were in what I might best describe as deep negotiations with the European Union

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about banning PFOS. They had drafted a statutory instrument to do so, which provided for a two-year sentence for those who brought PFOS into the country.

Two sorts of foams were used at Buncefield: synthetic foams and protein foams. I shall talk only briefly about synthetic PFOS foams, because my colleagues want to talk about them. However, I continually go on about protein foams, although nobody seems to be listening. Protein foams are often blood based and they have been used for many years. Indeed, I trained with them extensively when I was in the fire service. Protein foam is smelly, horrible stuff because it is based on blood. Blood tends to bubble up rather well, so people who are trying to smother a fire use blood. That might sound silly, but it was the traditional way of doing things. Protein foams were developed extensively during the war because petrochemical ingredients were in short supply.

I have deep concerns about protein foams. I know that they were used at the incident, because I saw them there in bulk supply, but it looked as if they had been in storage for a considerable time. As I have said before, I am concerned that some of that foam, which firefighters would never dream of using on anything else and which might have come out of storage, was disposed of at the incident. I have therefore asked the Minister to address a particular issue, although I fully appreciate that the environment is not in his brief and that he might have to write to me. I have asked for undertakings that none of the protein foams that were used were based on full-blood products and that where blood products have leaked into the environment—we already knew of the dangers of blood products in the 20th century—none of the firemen, or anybody else locally, had their life endangered.

I turn now to the issue of synthetic foams, of which PFOS is a major ingredient. Before the Buncefield incident, the Government were trying to ban PFOS, and no level was acceptable in drinking water. Recently, however, the drinking water inspectorate has said that it would be happy to have three parts per million in drinking water. Will the Minister explain the logic of saying that we should have no PFOS one minute, but then suddenly saying that we should have three parts per million? I emphasise that there is no PFOS in the drinking water in Hertfordshire, that the bore holes close to the incident have been closed and that extensive monitoring has taken place.

However, that monitoring has shown up another anomaly, which my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) will describe. The water table in areas with no link at all to the Buncefield incident has been showing extensive signs of PFOS. Where does the Minister think that those contaminants have come from? Will he make sure that testing takes place well away from areas where there is a natural assumption that any contaminants will have come only from firefighting foam? PFOS has been used in pesticides and insecticides in the past, and it might still be used in them. That is a major issue in the rural community outside my new town.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does my hon. Friend agree that Hertfordshire has a very delicate environment because our water comes from chalk aquifers? When a motorway service station or something like that is built, a lot of work goes into ensuring that the run-off is secured. Does he feel that a Minister who deals with environmental matters should make a clear statement about safety, pollutants and so on in the light of the Buncefield incident? That would allow us at least to know what the damage was and what the risks and worries are.

Mike Penning: I could not agree more. People are concerned not only about Buncefield and the explosion, but, quite naturally, about the fact that if PFOS and other contaminants—not least the oil-based products—were getting into the aquifers, that needs to be addressed long before Buncefield is given permission to reopen, although I reiterate that I hope it never does. During the incident I was told that the nation could not live without Buncefield, which is a major part of our fuel infrastructure, but I understand now that capacity is up to 95 per cent. without Buncefield. Is that correct? If so, does the Minister agree with my logic, which is that if we reconnect the feeder lines there is no national strategic need for Buncefield and that it should not reopen? That would alleviate the next problem that I want the Minister to deal with, which is about planning.

Naturally, the community wants to get on with its life. The business community wants to get businesses back on to a level playing field. It wants to find out whether properties can be rebuilt or whether they will be too close to a new exclusion zone, if Buncefield is rebuilt; it wants to know whether, if Buncefield is not rebuilt, the contamination of the land will put employees at risk. There are so many questions that I should have hoped that seven months after the incident my constituents and the country would have received the answers.

It is deeply damaging to the Government and to public confidence that the inquiry continues to be operated in secrecy, behind closed doors, and that the evidence to the inquiry is not fully known by the public. I accept that some evidence may need to be held back because of the possibility of prosecutions. However, on behalf of my constituents I cannot understand the Government's reluctance to come clean, open up and let the public see natural justice take place, especially in the light of the obvious involvement—interference, if you want to put it that way—of the HSE in the safety of the depot before the incident, and in the catastrophic failures that occurred. My final plea to the Minister is that he go to his bosses and persuade them to give us the public inquiry that we deserve, so that we can get on with our lives in Hertfordshire.

Derek Conway (In the Chair): Order. Several hon. Members have said that they hope to catch my eye. We must conclude the debate within the hour, so I urge them—including Front-Bench Members—to make their contributions as brief as possible.

10.02 am

Mr. David Gauke (South-West Hertfordshire) (Con): On that Sunday morning at 6 o'clock, I, too, was woken in my home a few miles from Buncefield. It is certainly an experience that I shall not forget. Nor will I forget the experience of driving past Buncefield on the A41 and seeing the plumes of smoke, or visiting the site with my hon. Friend the Member for Hemel Hempstead (Mike Penning). He mentioned the subject on which I should like to focus—perfluorooctane sulphonate, or PFOS, traces of which have been found around Buncefield, raising several concerns.

It may be useful briefly to consider the issue and give the history of PFOS. The chemical was widely used, mainly as a fabric protector—most famously as Scotchgard. However, it had several other uses, such as in pesticides, insecticides and, of course, firefighting foam. In May 2000, 3M, the manufacturer of Scotchgard, announced that it was phasing out the use of PFOS from 2001. Following that, the Organisation for Economic Co-operation and Development produced a hazard assessment in which the US and the UK took the lead. Several conclusions about health were reached. One was that PFOS was persistent, bioaccumulative and toxic in mammals. It was detected in blood serum of occupational and general populations. There was a statistically significant association between exposure to PFOS and bladder cancer, and an increased risk of tumours of the male reproductive system, the overall category of cancers and benign growths, and tumours of the gastro-intestinal tract. There is quite extensive evidence suggesting that PFOS is persistent, with a human half-life of four to eight years. As for toxicity, tests on monkeys and rats—but not, you will be pleased to know, Mr. Conway, on cats—show that it can kill at 4.5 micrograms per litre on a repeat dosage over a 90-day period. The OECD hazard assessment further concluded, with respect to the environment, that PFOS is persistent and bioaccumulative, that it is highly toxic in honey bees and that it bioconcentrates in fish. It has been detected in the tissues of wild birds and fish, in surface water and in sediment, in waste water treatment plant effluent, in sewage sludge and in landfill.

After that assessment, the Department for Environment, Food and Rural Affairs commissioned a review of environmental risk. Despite the fact that that use of PFOS has, overall, been substantially reduced since 2001, certain concerns remain. The environmental risk reduction strategy concluded that marketing and use restrictions on PFOS-related substances

"will provide the only effective level of control".

In October 2004 the Government proposed an immediate prohibition on the storage or use of PFOS and PFOS-related substances at or above 0.1 per cent. of mass. It is important to recognise, however, that within the consultation document produced by DEFRA a five-year derogation was proposed for the development of acceptable substitutes and alternate technologies for firefighting foams. However, implementation of the proposals for that quite extensive ban on PFOS usage was prevented. In an answer to my hon. Friends the Members for Hemel Hempstead and for Brentwood and Ongar (Mr. Pickles), the Under-Secretary of State for Communities and Local Government, the hon. Member for Basildon (Angela E. Smith), said that

"before consultations had been completed, the European Commission suspended our unilateral action and subsequently issued its own draft Directive to restrict the marketing and use of PFOS. In this draft, all current PFOS uses, including firefighting foam, would be allowed to continue. This would not therefore allow the UK to set regulations to ban its use."—[*Official Report*, 14 June 2006; Vol. 447, c. 1238W.]

On first reading, that rather rankled with me, given my Eurosceptic instincts. I do not see why that is a matter for the European Commission and why the UK should not be in a position to make a judgment on the dangers of PFOS and to legislate accordingly.

I have several questions for the Minister. To be fair to him, I acknowledge that I did not have an opportunity to tell him my questions in advance, and I am conscious that PFOS is a subject not necessarily closely related either to work or to pensions. Any answers that the Minister can give now would be gratefully received, but perhaps he can write to me later.

I should be grateful to know the Government's attitude and what steps they are taking to lobby the European Commission and the EU. Do they fully accept that the matter is something for EU jurisdiction? Having made that point I want to qualify it in two ways. First, on first reading the parliamentary answer that I quoted, one could get the impression that but for the European Union we would have banned PFOS and it would no longer be relevant. However, the two questions that I referred to related to the fire service, and, to be strictly accurate, even if the UK had proceeded down the route that it wanted, it would still have been possible to use PFOS for firefighting foam, because of the five-year derogation. The derogation does not relate to the EU position, under which use will continue. Secondly, there appears to be no reason why a voluntary plan could not be adopted here; indeed, the answer mentioned that. Given that we are talking about public authorities, I cannot imagine that there is anything within the EU draft directive that would stop the UK Government issuing guidance on that point. Reference is made to a voluntary phasing-out and I should be grateful to know where we are in that respect.

PFOS has been detected in the rivers near Buncefield and ongoing testing shows sporadic detection of PFOS. The levels are higher than 3 micrograms per litre, the advisory level set by the drinking water inspectorate in environmental monitoring samples, although it has not been detected in drinking water, as my hon. Friend the Member for Hemel Hempstead said. However, the samples show quite high levels: 4.8 and 5.9 micrograms of PFOS per litre have been reported, which is higher than the concentration that killed the monkeys and rats.

The initial report on Buncefield makes the point that there is apparently a widespread occurrence of trace quantities of PFOS in the Hemel Hempstead area, some apparently unconnected with Buncefield, which raises the question why PFOS was not routinely monitored prior to Buncefield. It clearly is a concern, for the reasons I have outlined. The Environment Agency has been taking samples at 150 sites in the area in the period April to July. We have not yet reached the end of July, but the view is that if PFOS is found to be widespread it is intended to expand the sampling. I should be grateful to know if there is any information on whether sampling has found PFOS to be widespread so that we know where we are.

Mike Penning: Does my hon. Friend agree that it is imperative that we look not only around Hemel Hempstead and in Hertfordshire, but across the country? Clearly, if the chemical is in the environment in areas that have nothing to do with oil depots and fire stations, we need to know so that we can address the problem immediately.

Mr. Gauke: My hon. Friend makes an excellent point. Rather by accident, we have discovered that PFOS seems to be widespread. The early indications suggest that its presence is not just related to Buncefield; it could be anywhere. I hope that the sampling process will be thorough and widespread and that we do not assume that the presence of PFOS is related only to firefighting. There is a concern about how widespread it may be and I shall be grateful for an update on any progress in that respect.

Anxieties about PFOS have been heightened by the fact that 800,000 litres of stored firewater from Blackbird Lees sewage treatment Plant near Radlett was accidentally released into the water supply. I understand that it was treated and there has been no evidence of PFOS as a consequence, but it is a major concern.

Mr. James Clappison (Hertsmere) (Con): My hon. Friend will be aware of the concern felt in Radlett, whose residents will wish to hear from the Minister on that point. My hon. Friend may also wish to join me in paying tribute to the work of the Radlett fire crew who attended the Hemel Hempstead fire.

Mr. Gauke: I am grateful to my hon. Friend for two reasons: first, for further highlighting the concern about the leakage and, secondly, in paying tribute to Radlett fire station, which I am certainly keen to do. I also pay tribute to the fire station of Bovingdon in my constituency. My hon. Friend and I are both worried about the fact that Bovingdon and Radlett are set to close, or, indeed, have closed, but I will not go into that now.

I am especially concerned about the water sewerage because the fire water is stored in my constituency at Maple Lodge sewage treatment works. I wrote to Thames Water expressing my anxieties about the leakage and received a reply dated 12 July. It is reassuring; it says:

> "Following detailed analysis, we are satisfied that the release of the treated water poses no risk to public health, drinking water, or the local environment."

On the Maple Lodge site, it says:

> "The water used to extinguish the fire itself continues to be stored safely at Maple Lodge sewage treatment works. The design of the tanks here is such that an incident similar to that at Blackbird Lees sewage treatment works could not occur."

I am reassured by that to some extent, but I am also rather concerned that, seven months on, the water continues to be held within Hertfordshire. It is a responsibility of the oil companies to dispose of it and they have been somewhat tardy in doing so. If the Minister can shed any light on progress and tell me when we can get the contaminated water out of my constituency I shall be very grateful.

In conclusion, there are concerns about PFOS levels, which seem to be widespread and are not narrowly connected with Buncefield. I hope that the Government recognise the seriousness of the matter and will address it as quickly as possible.

10.15 am

Anne Main (St. Albans) (Con): As my hon. Friend the Member for Hemel Hempstead (Mike Penning) remarked, the incident at Buncefield is not only a Hemel Hempstead problem. From St. Albans we watched the pall on the horizon; we were lucky that the wind was favourable and it did not come over to us, but it could so nearly have done. Since then, residents have had major concerns about the environmental impact, because we are downstream from Hemel Hempstead. We have two major rivers, the River Ver and the River Colne, which help to define a beautiful part of my constituency, but which also makes us very vulnerable to pollution incidents.

As late as July 6, my local newspaper was still running stories about confusion about water pollution. I am glad that we are using the term PFOS, because the long name—perfluorooctane sulphonate—does not trip nicely off the tongue. It is a diary of disaster to local residents. I shall not repeat the details of the toxicity concerns about PFOS, except to say that my constituents have little faith in the system that seems to be throwing up such completely differing views on the safety of PFOS in the water supply, how long it will be there, who is responsible for eradicating it and how the effect on the health of the local environment is to be monitored.

On December 11 at 6 am, as my hon. Friend the Member for Hemel Hempstead said, 30 million gallons of fuel went up in flames. On December 20 the Health and Safety Commission and the Environment Agency started an investigation into the events. In January, a large pool of liquid measuring 200 m by 10 m by 20 m was allowed to run off the site; it was standing in Cherry Tree lane for the first week of January.

In January, Lord Newton was appointed as the independent chairman of the investigation. Since then, there have been various progress reports. In April, a progress report was published which mentioned PFOS and zinc for the first time. The chemicals have seeped into the ground and are now detected in the water. On April 18, the Environment Agency revealed that diesel oil had been found in ground water. The water is taken from bore holes which goes into the water-holding layer of chalk, some 40 metres below ground level. Three Valleys Water said that it will continue to monitor the situation and the Environment Agency said that it could take years to assess the full impact.

On May 9, the third progress report was published, stating that PFOS had now been detected in local rivers—the River Ver, the River Colne and the River Red. Fuel and fire water had soaked into the water table and been detected in bore holes. The Environment Agency said that the chemical was at a very low level and generally below what the drinking water inspectorate considers acceptable.

Mike Penning: I emphasise, because it is very important, that before Buncefield there was no tolerance for PFOS in drinking water, but suddenly

3 parts per million is acceptable. Our constituents are very concerned about that. Can hon. Friend see any logic or link in that?

Anne Main: I thank my hon. Friend for pointing that out. I shall give a little history lesson. We are all old enough to remember the Camelford incident in 1988. That was a different environmental disaster affecting water sources. Acidic aluminium sulphate got into the water sources and caused a level of toxicity that worried local residents. However, according to the newspapers of the day, South West Water Authority blithely assured people that it was safe to drink. It took weeks and 400 people complaining of ill-health effects such as mouth ulcers and so on before the problem started to be taken seriously. The view of the water industry and, to some extent, the medical establishment, remained that aluminium in drinking water was not toxic, and the 1991 Clayton Committee report failed to alter their views, yet, even now, people complain about long-term health problems such as dementia that might have arisen out of that unfortunate incident at Camelford. One can therefore forgive my constituents for not feeling terribly reassured that there is suddenly a new, safe level for PFOS.

I do not think that we will see the effects of the Buncefield incident for a long time. We cannot be sure what levels are acceptable for pregnant women, for example. I have here Dr. Brooke's February 2004 report, which is hundreds of pages long, on the environmental risk evaluation of PFOS in the environment. The report points out some worrying issues. For example, the half-life of PFOS is estimated by some to be four to eight years, but the report estimates it to be 30 years. It says that concentrations in fruit and vegetables are hard to measure, but contribute to the toxicity build-up. PFOS has even been found in cows' milk. We have to measure the levels not only in drinking water, but in all the animals—prey birds, for example—that inhabit our sensitive environment. People in St. Albans and the surrounding areas take their environment extremely carefully. We are blessed with the Ver Valley Watercress Society, which prides itself on having brought back that ecological miracle by really clearing up the environment. It is an indicator, or barometer, of how clean the environment is.

We must be careful about the creeping, accumulative toxicity which may cause dangerous levels further down the line. My constituents have had no reassurances: the drinking water sources might be safe, but all the other environmental sources of PFOS may not be safe and are not really being examined in the depth that they would like. We cannot blithely assume that everybody's water comes from a tap. Mr. Hall of Hanrox Turkeys, whom I went to see the day after the disaster, is particularly concerned because all his water comes from a bore hole. He has been assured that it is all fine, but is it? Is it okay for him to feed the animals on his farm—he has other animals as well as turkeys—from that water source?

The impact on the environment, which will have a huge cost implication, has not been considered. Who is to pick up the bill? My local council seems to think that the problems will have implications for councils for years to come. I would like some answers from the Minister. What support will we receive, transparently, to ensure that the source of the harm is acknowledged and that people are aware of it, and who is responsible for monitoring the damage and clearing it up?

I would also like some assurances from the Minister about how the long-term adverse effects on the aquatic environment are to be cleared up in our sensitive area. We are in a fog of confusion. A report on June 16 said that no traces of PFOS had been found in drinking or ground water, and that consumers can therefore be reassured that

> "there is no evidence that their tap water has been contaminated."

But that is only half the story, and I would like the other half to be brought out fully. The Environment Agency says that hundreds of thousands of litres of firewater escaped from where it was stored at Radlett—we have heard about that—into the River Colne. I, too, praise the Radlett firefighters, but add my concerns to those of others that if there is another Buncefield fire disaster, the Radlett fire service might not be there, because it is under threat. I hope that that the service remains.

We have contradictory statements from the drinking water inspectorate and the EA. The EA recently said:

> "Notwithstanding the recent press release...we continue to detect...PFOS".

One press release says that nothing is there, and another says that there is PFOS. We do not know where we are. I ask the Minister for clarity and honesty. I do not want another Camelford incident. I do not want somebody to say, 20 years down the line, "This was a problem." I want the problem to be looked at now, and I do not want the bill to be picked up either by Hertfordshire as a whole or my constituents, particularly not the environmental or health bill.

10.24 am

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): I shall shorten my speech to allow the Minister the maximum time to respond to the extremely important questions and issues brought up by hon. Members.

I congratulate my hon. Friend the Member for Hemel Hempstead (Mike Penning) on securing this important debate. I visited the Buncefield site with him earlier this year and was shocked by the scale of the incident, the severity of the impact on surrounding properties and buildings, and the sheer size of the footprint of the damage created by the blast. Clearly the explosion at Buncefield, which exceeded any previous worst-case scenarios for emergency planning purposes, has heightened concern among Members such as myself who have major fuel storage and processing facilities in their constituencies.

I echo my hon. Friend's call for an open and independent inquiry into the Buncefield incident. The results of the inquiry cannot be that we should carry on business as usual. It must lead to some real improvements in the way in which risks are assessed and managed at fuel storage sites.

In my constituency, we have the UK's largest fuel storage terminal facility. It is three or four times the size of Buncefield and has capacity for more than 9 million barrels of product. It has more than 80 tanks storing a range of products including gasoline,

[Mr. Stephen Crabb]

kerosene, jet fuel and crude oil. In close proximity to that storage facility, we have two of the UK's nine major oil refineries, which are also located on the Milford Haven waterway, and two of the world's largest liquefied natural gas import and storage facilities are being built alongside them.

The major concentration of hydrocarbon storage and processing facilities in my constituency is heightening concern in my community about the risks that the local population is living alongside, particularly in the village of Waterston, where the storage facility is located. To say that the facility is close to the village is inaccurate: it is right in the middle of the village. Indeed, many villagers live just a few feet from the main entrance to the SemLogistics site. In the past year or two, they have lived with the disruption caused by the construction activities around the liquefied natural gas plant. They also live with the eyesore of the stacks and buildings from the old oil refinery, but their biggest concern at the moment centres on understanding the risks. They seek reassurance about the risks that they live alongside.

At the start of this year, the fuel storage facility was sold by Petroplus to SemGroup, a US company which trades in the UK under the name SemLogistics. I have been extremely encouraged by the several meetings that I have had with the US and the UK components of the management team, who seem to be taking seriously their responsibilities to ensure that an incident such as that at Buncefield never happens in Pembrokeshire. At our first meeting, we agreed that the site needs more than a lick of paint and a change of badge. Serious investment is needed to upgrade the facility and provide reassurance for the community nearby.

Two weeks ago, I visited the site and saw the new secondary containment features being installed in the tanks, and a new Bentomat geosynthetic clay liner being put in to prevent the leakage of product into the ground water. I looked at some of the high-level safety systems, which actually exceed current UK statutory requirements, that are being installed on the tanks. The company takes its responsibilities seriously.

I was encouraged by the initial findings of the Health and Safety Executive's safety alert review last month, which did not identify the Waterston site as one of the five in which there are problems and issues with bunding, risk assessment or the maintenance of firefighting systems on site.

Those are reasons to be encouraged, but there are other reasons for dismay and huge concerns in my community. Our local fire brigade has a proud history, having tackled some major incidents at the oil refineries in Pembrokeshire in the past 40 years, but we are set to lose our only remaining 24-hour fire station, which will be downgraded to a day crew only. That is causing huge concern in my community. I repeat the calls that I have made many times for the Mid and West Wales fire authority to hold back from implementing that decision, at least until the full findings of the Buncefield inquiry are made public, so that we can better understand risks and how we respond to major incidents. As I said earlier, what has happened at Buncefield has reset the gauge for emergency responses to major incidents.

We need facilities such as the ones in my constituency. I do not know enough about the matter to say whether Buncefield will ever reopen, but we need storage facilities in the UK for strategic reasons. At a time of energy price volatility, it makes good commercial sense for some of the downstream companies to have such storage facilities, but the risks need to be managed properly and understood. I hope that the Buncefield inquiry will result in some clear, concrete recommendations for improving the safety of these facilities and will provide reassurance for the communities that live immediately next to them.

10.30 am

Mr. David Laws (Yeovil) (LD): I congratulate the hon. Member for Hemel Hempstead (Mike Penning) on raising this issue. It is clearly of enormous importance to his constituency and has great significance for other parts of the United Kingdom that have similar oil and fuel storage facilities. I hope that we will be able to return to the subject in other debates. I add the congratulations and thanks of my party to those given by his party to the members of the emergency services who dealt with what was clearly a major and serious incident.

I know that the hon. Gentleman is keen to leave as much time as possible for the Minister to respond to the debate, so I shall keep my comments as brief as possible. Conservative Members have commented on a number of the environmental concerns that remain in the area around Buncefield. Those points have been made clearly, and therefore I do not need to add to them.

I hope that the Minister will be able to address three particular issues. The first is a point that has, understandably, not been made so far: when the fire and explosion initially occurred, there were fears, given the general background, that the incident might have been caused by a terrorist attack of some kind. As I am sure that the hon. Member for Hemel Hempstead is aware, there is a danger of fighting the previous fire and learning the lessons of an incident that may not be the one that we face in the future. As the investigation proceeds, will the Minister ensure that any lessons arising from Buncefield about the safety of these types of facility will be taken on board in relation to the security aspects of such sites? The sites are key in national security terms, and we want to ensure that their vulnerability is closely examined in respect not only of this type of incident, which fortunately was not a terrorist one, but of any terrorist incidents that might occur.

Secondly, we know that, in this set of circumstances, the key issues were why the fuel was allowed to run into and over the top of the tank, why the safety checks failed and why the safety equipment appeared not to be working. We know that the Health and Safety Executive issued a safety alert in early July to operators of fuel storage facilities. That related specifically to one of the safety devices that are supposed to be attached to all of the tanks to prevent such incidents from occurring. We know, because it is set out in paragraph 23 of the report, that there was further investigation into the design and operation of this particular high-level switch, and the way in which the switches are put back in a position that ensures that they are operating after testing.

Paragraph 23 states:

> "While the relevance of this feature to the Buncefield incident has still to be determined, one of the issues that has arisen from these enquiries relates to the reliance on this type of switch".

I would be grateful if the Minister said a little about why the issue has arisen in relation to Buncefield. Is there any evidence that the switches of this type at Buncefield were not operating? Are these particular switches tested regularly by the HSE as part of its regular inspections of these sites? Will that be done in future? It would also be useful if he would say whether the testing of these devices has taken place at other facilities throughout the United Kingdom.

My third and final point is that it is clear from the ministerial statement that was made the other day and from other things that the size of both the fire and the incident was not expected. We still do not know why the explosion was as large as it was. It is also clear from paragraph 83 of the report that the HSE's advice about the type of incident that could occur in a worse-case scenario turned out not to be accurate. It states:

> "A vapour cloud explosion was initially considered, but arising from tanker loading operations and not tank storage. A pool fire was assessed as presenting the greater off-site hazard. The Buncefield incident brings into question the assessment policy for many oil/fuel depot sites, and the zone setting method which it informs."

That is clearly an extremely important point for other sites in the country.

Mike Penning: The hon. Gentleman raises an important issue. Other such incidents have taken place in parts of the world, so it is important to find out why the HSE did not use the experience of the incidents that took place in New Jersey and Florida, where similar, but not identical, situations involving a vapour cloud caused by petroleum occurred. Perhaps that experience could have been used to prevent the Buncefield incident from ever occurring.

Mr. Laws: The hon. Gentleman makes his point very effectively. I do not claim to have expertise in those other incidents, but this is clearly a serious matter. The recommendations in paragraph 71 represent some of the major issues that we will need to examine if we conclude that there are risks of further explosions on this scale. I again congratulate him. The issues are clearly important for his constituency and county, but there are also important issues for all of these facilities in the UK.

10.36 am

Mr. Tim Boswell (Daventry) (Con): I, too, congratulate my hon. Friend the Member for Hemel Hempstead (Mike Penning) on bringing a unique blend of professional expertise and determination to represent his constituents on this serious matter. I also congratulate all others who have made a contribution and, in hopeful anticipation, I congratulate the Minister on his response.

To this particular situation, I bring an interest that goes all the way back to my school days and my time in the combined cadet force, when I was involved in civil defence matters. Since that time, I have gained a limited amount of experience in fire training and in resilience issues. In conducting my own farm business, I acquired quite a knowledge of pesticides and diffuse pollution. Incidentally, I also held a petroleum storage licence for a number of years. My final point on credentials is that my daughter used to conduct prosecutions on behalf of the Drinking Water Inspectorate.

I shall begin with the positive side of this matter so far. I am happy to endorse the praise that has been properly lavished on the emergency services for the tremendous job that they did on the occasion. Secondly, I extend my thanks to Lord Newton, who, as it happens, became my first boss 40 years ago this week.

Mike Penning: On my hon. Friend's first point, the fire services of this country do a fantastic job, but sadly firemen get injured and some die. Two brave firefighters recently died in incidents in Hertfordshire. The fire brigade's benevolent fund raises a lot of money for former colleagues. I hope that you, Mr. Conway, do not mind my highlighting the fact that the booklet, "The Buncefield Explosion", which will raise money for the firefighters' benevolent fund in Hertfordshire, is probably the best visual guide to any incident that this country has ever seen. Will my hon. Friend praise the work of the fire brigade benevolent fund as well?

Mr. Boswell: I have no hesitation in doing so. We are grateful and lucky in respect of the dedication of our emergency services.

I mentioned Lord Newton and the expert work that his committee has conducted. I should also like to touch on aspects of the expertise of the Health and Safety Executive, in particular the Health and Safety Laboratory, which I visited recently. I am happy to say that in terms of the knowledge of its people, even if it is not always translated into the results we would want, it is a world leader in forensic accident investigation.

So much for the positive. It is important that the Minister should respond and that we should put our remarks in a reasonable context. I should like to highlight three points of query or criticism before I sit down. The first is that, on the facts as set out in the interim report, it seems that somehow a long period—nearly 40 years—of the successful operation of this depot and of similar depots, be they in Milford Haven or elsewhere, has lulled local residents and the operators into a false sense of security. The series of explosions and the fire came as a serious shock. I mention that not simply to show the importance of regular and professional inspection by the HSE and so forth, but to allow us to consider the possibility of challenge inspections by outside bodies, which could look into an incident and ask the awkward questions that are occasionally overlooked.

I hope that the Minister will say a little about the Government response, which has already been explored in exchanges with my hon. Friend the Member for Hemel Hempstead, and about ministerial responsibility. Ministers need to show who is responsible at any one time; I bear in mind that different Departments have interlocking responsibilities, but who is in charge—and at ministerial, not simply agency, level? Ministers owe us the assurance that they are satisfied that action is being taken at all similar oil storage facilities, and at establishments that face similar risks, in the United Kingdom.

[Mr. Boswell]

I should like to emphasise the issue of progressive development around the site and the planning issues, which have already been touched on. They need looking into, particularly as there is evidence that the HSE entered no objection to the development adjacent to the site. The Minister might usefully say something about the interlocking interests of the HSE and another Government agency, the Environment Agency, which is responsible to another Minister. He might want to say something about monitoring such development and preparing the safety plan, and about that plan as a whole.

Finally, I re-emphasise the point that my hon. Friend the Member for Hemel Hempstead made so passionately about the inquiry process. There is an inherent difficulty in government that goes back to the days of the Roman Tacitus—the problem of who will supervise the guardians. Who is to be responsible for ensuring that the professional activities of Government regulators are carried out to the highest possible standards? We should remember that in some cases, including that of Buncefield, the HSE is the competent prosecuting authority. If a criminal prosecution is brought—and I do not wish to prejudice that process—there is a real risk that the HSE will be not merely judge and jury, but prosecutor. That is a difficult moral hazard, and it is not confined to HSE matters; exactly the same could apply to the Food Standards Agency and its subsidiary, the Meat Hygiene Service. The Minister owes us a response on that point, and an explanation of why the process cannot be an entirely independent process.

In dealing with such serious incidents, it is important that the Minister accepts that there must be a readiness to be open, and he must not in any way regard a judicial process or an inquiry as an embarrassment; they are necessary reassurances to constituents and the nation that such incidents will be tackled for the future. We need to know that lessons have been learned, that the Government structure is being adjusted to deal with the situation, and that there will be continuing effective enforcement. The miracle of Buncefield is that no one was killed, so only if lessons have been learned can we feel that there has been benefit from that serious near miss.

10.43 am

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): This has been a thorough and wide-ranging debate—rightly so, in view of the seriousness of the incident. In the time left to me, I am afraid that it will not be possible to touch on all the points raised, so I offer my apologies in advance for that.

Mike Penning: Will the Minister give way on that very point?

Mr. Plaskitt: Well, if I take interventions, I shall have even less time, but I give way.

Mike Penning: As I said to the Minister in a private meeting yesterday, I think that all of us would fully understand if all the points raised could not be dealt with today, but does he undertake—on his own behalf and on behalf of his Department and the other Departments involved—to write to the hon. Members who raised the points as a matter of urgency, so that we can clarify matters with our constituents?

Mr. Plaskitt: As is normal procedure when key points have been raised and it has not been possible for me to cover them, I will ensure that hon. Members get responses from the relevant Ministers.

I congratulate the hon. Member for Hemel Hempstead (Mike Penning) on securing this debate on a subject that is important not just to the people of Hemel Hempstead, who are understandably closely concerned in the matter, but to all communities containing fuel storage depots of the kind found at Buncefield; that point has been made by other hon. Members. The explosions and fires that occurred at Buncefield have raised wide concerns about the safety of such sites, and all those concerns must, of course, be addressed.

The debate is timely, as it comes soon after the publication of the initial report of the investigation into the Buncefield incident, and after yesterday's visit to the site by my right hon. Friend the Secretary of State for Communities and Local Government, who met local residents and businesses.

Mike Penning: And me.

Mr. Plaskitt: Yes, and the local Member of Parliament.

First, I should like to say a few words about the incident and its impact. The explosions and fires that burned for more than three days were massive and devastating, and caused major damage to residential and commercial properties near the depot. Fortunately, there were no fatalities or really serious injuries, but that was largely down to a good dose of luck in the timing of the incident, as the hon. Gentleman said. There was also contamination of groundwater and surface water from escaped fuel and firefighting water. That was sufficient for the incident to be reported to the European Commission as a major accident to the environment. I am aware of local concerns that the contamination may have affected drinking water supplies, particularly because of the presence of perfluorooctane sulfonate, which I shall refer to as PFOS, in the firefighting foam. That has been, and will continue to be, closely monitored. Let me reassure the hon. Member for St. Albans (Anne Main), who raised the issue, that to date no evidence has been found of contamination of drinking water.

The emergency services' response to the incident—and particularly the response of the fire and police services—was on a massive scale. I pay tribute to the dedication and professionalism of all those who responded in such difficult circumstances. The incident was a major test of the new national resilience arrangements introduced under the Civil Contingencies Act 2004, and the test was, I think, passed.

I pay tribute, too, to the resilience of those directly affected by the Buncefield incident. Homes and businesses were damaged, trade was disrupted and jobs were lost. There is continuing uncertainty about the future of the site, as the hon. Member for Hemel

Hempstead said. It is not surprising that many people, both locally and elsewhere, are keenly awaiting answers about the root causes of the incident and about whether such an event could happen again. The process of finding those answers began the moment that it was safe to begin. Buncefield and other sites that present major accident hazards are regulated by a joint competent authority, formed by the HSE and the Environment Agency in England and Wales, and by the HSE and the Scottish Environment Protection Agency in Scotland. I shall generally refer to this joint competent authority, except when speaking of one of its parts.

The competent authority assumed formal control of the investigation from the police on 14 December, even before the fires were all finally extinguished. Investigators were able to move on to the site on 16 December. Even so, parts of the site remained so dangerous that they could not be accessed for weeks or even months afterwards. It is a normal statutory function of the competent authority to carry out investigations of major accidents. Those investigations are often highly complex and technical, requiring a wide range of specialist skills and expertise. It was quickly recognised, however, that Buncefield was an exceptional event requiring an exceptional response.

That is why the independent Health and Safety Commission, which advises the Government on health and safety policies, decided to direct a formal investigation on 20 December. The commission made that direction using its legal powers under the Health and Safety at Work etc. Act 1974. It set out detailed terms of reference, including reports to be made and published, but that did not amount to a public inquiry. The commission could have directed a public inquiry with the Secretary of State's consent, but decided that a formal investigation would better advance the interests of safety. The commission was mindful of the pressing need for answers felt by the local community—a point reiterated by the hon. Member for Hemel Hempstead—and other communities with fuel storage depots. Public inquiries generally take years to reach any substantial conclusions, and only when their processes have ended can a report be published. That would have seriously delayed sharing the important lessons of Buncefield.

By contrast, the current investigation, which the hon. Gentleman welcomed on 13 January, has already produced four reports in quick succession. They have been well received by local communities and local authorities, and they have led directly to work to improve safety. For example, Dacorum borough council has welcomed the good progress described in the initial report while recognising the need to get the investigation right.

I shall say more about the activities to improve safety in a moment. First, I stress that the investigation is certainly not being conducted in secrecy or behind closed doors. When the commission announced the investigation, it recognised the need for openness as well as speed to ensure public confidence. It adopted a number of unprecedented measures. For the first time, it appointed an independent investigation board, chaired by Lord Newton of Braintree, to supervise the investigation. The board has scrutinised the progress of the investigation to ensure that it is thorough and that it rigorously pursues all appropriate lines of inquiry.

The board's terms of reference also require it to work closely with all relevant stakeholders and to keep them fully informed. That is why it appointed a community liaison officer to co-ordinate such work. Again, it is the first time that such an appointment has been made in such an investigation. The board has engaged openly and transparently in meetings with local residents and businesses, and it has received representations from interested parties. It is the first time that an investigation board has had such close contact with local interests.

More important, the board has ensured that the investigation's findings have been put into the public domain as soon as they emerge, subject only to the necessary legal considerations. As the hon. Member for Daventry (Mr. Boswell) knows, it has published three progress reports as well as last week's initial report. It is always challenging to strike the right balance between being open, thorough and sharing safety lessons without delay, and avoiding prejudice to potential legal proceedings. I am satisfied that the commission's arrangements meet that challenge.

Last week, the investigation board published its initial report. It was announced through a written statement to the House by the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Stirling (Mrs. McGuire). I shall not repeat everything in that statement, but it noted that the investigation has made good progress in identifying the root causes of the incident in spite of the widespread damage that the fire and the force of the explosion caused to the forensic evidence. I shall add to my earlier tributes to the investigation teams. They have worked hard and professionally in difficult and sometimes hazardous conditions to enable such progress to be made.

The board considers that enough is known to set out with reasonable confidence the sequence of events leading to the incident, although uncertainty remains about why the explosion was so violent. Work continues on that. The initial report does not make detailed recommendations, but it identifies several areas of concern arising from the investigation. They relate to the design and operation of storage sites, the emergency response to incidents and the advice given to planning authorities about risks to proposed developments around major hazard sites. Action is under way on all those matters. If I may tell the hon. Member for Hemel Hempstead, we expect an interim position on land use planning to be made available before the end of the year. It will then be subject to local consultation.

As early as February, the competent authority issued a safety alert to 108 storage site operators to review the safety of their operations in light of information emerging from the investigation. That was followed up by inspections of all 108 sites, and the preliminary findings were published on 13 June. Overall, they showed no areas of serious concern, but 50 per cent. of sites have been asked to make improvements. The competent authority took some enforcement action, and we expect more details about that to be made available in the autumn.

[Mr. Plaskitt]

The Environment Agency initiated a further programme on 11 April to consider the effectiveness of environmental protection at fuel depots. The results of that initiative will be published later this year. In parallel, the industry is working with the competent authority in a task group to improve risk control. The work includes reviewing and revising guidance on handling flammable liquids at storage sites, and an interim report from that task force is expected by the end of September.

A second safety alert was issued on 4 July about the working of certain high-level safety systems. Again, it came as a direct result of new information emerging from the Buncefield investigation. All information on actions under way in response to the Buncefield investigation is publicly available on the websites of the Health and Safety Executive or the Environment Agency, as appropriate.

I have already referred to the massive scale of the emergency response. Inevitably, there are important lessons to be learned from the event, and several reviews of the emergency response to Buncefield are under way. The advice that the Health and Safety Executive provides to planning authorities about developments around fuel storage sites is also under review. Preliminary conclusions are expected later this year, and relevant to that will be the work of the cross-government group, which my hon. Friend the Under-Secretary announced in a statement to the House on 15 May.

Other work under way includes the extensive programme of environmental monitoring described in the initial report and carried out by the Environment Agency and other bodies to assess the full impact of the incident on the environment. As part of the investigation's terms of reference, reviews are being carried out of the competent authority's prior involvement in regulating activities at the Buncefield site. To ensure impartiality, the reviews are being carried out by people with no previous involvement in regulating Buncefield, and they will report to the Buncefield board. Finally, the competent authority is pursuing a criminal investigation and it will in due course make a recommendation on legal proceedings.

Let me assure the hon. Member for Hemel Hempstead that all Departments are working closely together in their response to Buncefield. The key co-ordination role is carried out by the Government office for the east of England, which covers the Buncefield site.

Finally, there is another initiative by my right hon. Friend the Secretary of State for Communities and Local Government to learn the lessons of the Buncefield incident and its aftermath. She has asked the Government office for the east of England to convene a task force to investigate options for Government support to businesses and local economies in the period following an exceptional disaster such as the one under discussion. Our paramount concern is that all lessons of Buncefield are learned to prevent such an incident from recurring. However, if an incident occurs, we must ensure that the emergency response arrangements are fully effective. Good progress has been made in a relatively short space of time, but there is still much work to do. That work involves not only the Buncefield investigation board and the competent authority, but a range of agencies throughout central Government. The Government are committed to that effort and to ensuring that the widespread concerns created by the Buncefield incident are fully met.

It is vital to take the time to ensure that the investigation is thorough and gets its work right. I am sure that the hon. Member for Hemel Hempstead agrees that it would be wrong to rush to hasty conclusions, as Dacorum borough council has itself recognised. The investigation must ensure that all the right lessons are learned, and it must provide robust evidence in the event of any subsequent criminal proceedings. Meanwhile, the Government are doing everything they can to work with other bodies to help the recovery effort in the hon. Gentleman's constituency.

Mike Penning *rose—*

Derek Conway (in the Chair): Order. The Minister has finished. Sadly, Mr. Penning has no right of reply, so the debate is now concluded. We now move on to the next debate.

MI6

11 am

Norman Baker (Lewes) (LD): I welcome the opportunity to introduce this debate. I am pleased to see the Minister for the Middle East in his place; I was expecting the Minister for Europe to answer the debate. The Minister for the Middle East is respected throughout the House.

I am glad that we have our security services MI5 and MI6 in place. It is difficult to imagine what sort of society we would have if such organisations were not doing that important work for us. However, I hope that the Minister will agree that it wrong to give any organ of the state, no matter what it does, a blank cheque. Hon. Members have a proper role in holding them to account—commensurate, of course, with national security.

We need a professional, properly funded and rational organisation in MI6. In my view, we want one that is free from inappropriate political interference and—a linked matter—one that acts in the British national interest. I want to explore today whether those two criteria were being met by MI6 in its present and immediately past activities. It seems to me—the Minister will doubtless respond to this point—that MI6 follows broad political objectives such as safeguarding national security and protecting our economic interests, and that it does so by providing the best, secure intelligence to further those aims.

In hindsight, it is clear that in the run-up to the Iraq war we were sold a distortion of intelligence to help a narrow political objective—to shape public opinion towards supporting a pre-emptive attack on Iraq. The Minister will doubtless be familiar with the responses in the Butler report, a useful document. It gives an interesting description at paragraph 32:

> "The Government wanted an unclassified document on which it could draw in its advocacy of its policy. The JIC sought to offer a dispassionate assessment of intelligence".

At paragraph 34, the report states:

> "We conclude that it was a serious weakness that the JIC's warnings on the limitations of the intelligence underlying its judgements were not made sufficiently clear in the dossier."

At paragraph 33, it states that

> "judgements in the dossier went to (although not beyond) the outer limits of the intelligence available."

At paragraph 35, the report says that

> "more weight was placed on the intelligence than it could bear."

Clearly, there are lessons to be learned. I do not want to revisit the entire history of the Hutton inquiry or of matters leading to the Iraq war, but that is an important perception. It would be useful to see whether the problem is being corrected.

I want to pursue two issues. The first is the role of John Scarlett, then head of the Joint Intelligence Committee, in the dodgy dossier and subsequently. The second is the use of information. It is clear that language was changed in order to turn neutral intelligence—the best available analysis, with all the caveats built into it—into something much more certain. In other words—I dare say that it was like a red rag to a bull—what Andrew Gilligan said was by and large right.

It is clear that words such as "might" and "possibly" were removed, and more certain words such as "can" and "will" put in their place. We also know from extensive evidence in the Hutton inquiry that many of those changes were proposed by Alastair Campbell and No. 10. I do not blame Mr. Campbell; he was doing his job. However, I do blame John Scarlett, head of JIC, for succumbing to that pressure and allowing what was supposed to be a neutral intelligence document to be manipulated for political purposes. We now know that no weapons of mass destruction were to be found. There is a serious question over why John Scarlett should have allowed his intelligence to be changed in that way. Indeed, that episode did the intelligence services, which we want to hold in the highest regard, a considerable disservice.

I draw the Minister's attention to the 45-minute claim, and also to a prominent article in *The Observer* of 15 May 2005 by the respected journalist Anthony Barnett. In it, he alleged that John Scarlett had asked another weapons inspector, the Australian Dr. Rod Barton, to sex up another dossier by inserting nine "nuggets". The article stated:

> "Barton had been hand-picked by the CIA to be the special adviser to the Iraq Survey Group".

In that capacity, Barton was preparing a document, but the group was preparing to reach quite different and damning conclusions. The article reported that

> "Saddam did not have any WMDs at the time of the US-led invasion",

and it alleged—I have no knowledge of whether it is true—that Saddam

> "had not had any programmes to manufacture such weapons after 1991."

In response to that, *The Observer* quotes Dr. Barton as saying that

> "senior figures in British intelligence tired to stop the ISG publishing its interim report when they realised what it would say. He"

that is Dr. Barton—

> "also reveals how when this failed, John Scarlett...tried to strengthen the ISG report by inserting nine 'nuggets' of information to imply Saddam's WMD programmes were active".

Included in that article were suggestions that

> "Saddam was working on a smallpox weapon, did have mobile biological laboratories and was developing research equipment for use in nuclear weapons."

The report continues:

> "I couldn't believe it...He"

that is John Scarlett—

> "was suggesting dragging things from a previous report [that the ISG had found to be false] to use them to, well, 'sex it up'. It was an attempt to make our report appear to imply that maybe there were still WMD out there. I knew he had been responsible for your [government's] dossier and then I realised he was trying to do the same thing."

Anthony Barnett of *The Observer* makes a serious allegation. I am not aware whether it has been properly investigated or a proper rebuttal given—if, indeed, a rebuttal is appropriate. I ask the Minister to comment on that report. I ask specifically whether it is true, and if so where it leaves John Scarlett, who appears to be continuing the mistakes—I put it neutrally—involved in drawing up the dossier before the invasion of Iraq. It would be helpful if the Minister were to publish the

[Norman Baker]

e-mail correspondence between John Scarlett and the ISG in that regard. It seems not to be a security matter, but a matter of public interest with no security implications.

I turn to another MI6 strand, which is the activities carried out by the information operations unit. The interests of the Government of the day are not necessarily those of the nation as a whole. That message is well understood by civil servants—it is established in the civil service code of practice—and it also applies to intelligence officers. Yet Nick Rufford, a journalist with *The Sunday Times*, produced a story on 28 December 2003 in which he alleged that attempts were made by MI6 through something called "operation mass appeal" to plant stories in the media about Saddam Hussein's alleged weapons of mass destruction. Scott Ritter, the former UN weapons inspector, was reported as saying

> "The aim was to convince the public that Iraq was a far greater threat than it actually was".

If that is so, it suggests that MI6 was being used to further a narrow political objective rather than anything in the national interest. If I worked for MI6, I would be rather concerned that my activities were being manipulated in that way. Nick Rufford's story was backed up by a report by the respected journalist Seymour Hersh, on the other side of the pond, in which he reported a former American intelligence officer as saying,

> "It was intelligence that was crap, and that we couldn't move on, but the Brits wanted to plant stories in England and around the world".

We need to know what MI6's role in this country is. Many of have naturally assumed that its activities have taken place abroad, but there are clear suggestions that it has been involved in disinformation campaigns on the UK mainland. Other newspaper reports, which I do not have time to refer to, suggest that the information operations unit has been planting favourable stories with friendly journalists and stories in other papers that are damaging to those who are critical of MI6's activities—or perhaps I should say of the Government's activities.

The other strand that I want to touch on in my last five minutes is the closeness of this country to the United States Administration. That has of course been a great strength to us over many years—indeed, since the second world war. The difference now is that the present US Administration are operating on a different basis of morality from that on which previous Administrations operated, up to and including the Clinton era. We have seen an abandonment of some of the norms of behaviour that the US introduced after the second world war with support from other western countries.

That is a matter for the US, except that too often it appears that UK foreign policy is merely a subset of US foreign policy. Nothing that has been overheard in conversations on microphones in recent days has done much to dispel that. For example, US foreign policy now appears to accept the principle of pre-emptive military action. Al Gore, the former vice-president, said that the doctrine would replace

> "a world in which states consider themselves subject to law"

with

> "the notion that there is no law but the discretion of the President of the United States."

That is his take, and he ought to know.

Again, in a sense that is a matter for the US, except if we follow that policy. As we indeed appear to follow US foreign policy quite slavishly, it is legitimate to ask the Minister whether other aspects of US foreign policy have been followed by the UK, through MI6. Can he tell me, for example, what the MI6's involvement in Guantanamo Bay has been? It is well documented that MI6 officials have been over there. What have they been doing? Have they made it plain to the US that Guantanamo Bay should be closed down or have they been following a different policy of accepting that it is there—whether or not we would have started it—and trying to deal with it as it is?

The US has also been involved in the horrors of Abu Ghraib. I hope very much that we would never endorse that sort of thing in any shape or form. We have heard allegations of extraordinary rendition, which the Intelligence and Security Committee is now looking into. I would be grateful if the Minister said something about that and whether we have had any involvement at all in extraordinary rendition, either directly or through connivance.

The US has offered support for regimes across the world that are questionable in morality terms—let me put it as neutrally as I can. The Minister will be aware of the publication about Uzbekistan by Craig Murray, the former ambassador, which suggests that there was torture, imprisonment and all sorts of human rights abuses that we did nothing about, mainly because we thought that we had a geopolitical interest in having the President there on board.

There is also the issue of legitimised assassinations. I refer the Minister to a report in *The Guardian* on 29 October 2001 that said:

> "Bush gives green light to CIA for assassination of named terrorists",

overturning a 25-year ban on assassinations. That was referred to in a further report in *The Guardian* on 13 August 2002 that said:

> "The US government is considering plans to send elite military units on missions to assassinate"

terrorists

> "in countries around the world, without necessarily informing the governments involved, it was reported yesterday.
>
> The Pentagon is discussing proposals which could see special operations units dispatched to capture or kill terrorists wherever they are believed to be hiding."

What is the Government's policy on that? Do we accept the truth of that report in *The Guardian*? If the Minister thinks that it is untrue, he can say so; if he thinks that it is true, what policy have we adopted on it? Are we informed by the Americans of what they are doing? Given the close relationship between the CIA and MI6, are we—horrible as it is to ask—in any way involved in such a policy?

I need to ask the Minister a number of questions. Will he publish the e-mails and other correspondence relating to John Scarlett's dealings with the ISG and the influencing of the report? Will the Minister set out the boundaries of action for MI6 in operating within this country, as opposed to operating abroad? Will he clarify the role of the information operations unit and whether it has been involved in briefing journalists and putting out information or disinformation to the British press in order to influence public opinion in this country? Will he confirm whether MI6 was in any way involved in extraordinary renditions? Does he have any knowledge at all of whether MI6 is involved in the apparent US policy of targeted assassinations in this country or elsewhere?

11.15 am

The Minister for the Middle East (Dr. Kim Howells): It is a great pleasure to serve under you, Mr. Conway—I do not think that we have had the pleasure before. I congratulate the hon. Member for Lewes (Norman Baker) on securing this debate. I welcome the opportunity to set out the Government's position to the House and to reassure him of the integrity and professionalism of the United Kingdom intelligence services.

I am certainly to glad to hear the hon. Gentleman welcome the existence of MI6 or, as it normally called, the Secret Intelligence Service or SIS—I say that so that I can reply more quickly. As someone helping to co-ordinate the evacuation of thousands of very frightened people from Lebanon, I find it difficult to imagine how a safe evacuation could be carried out without high-quality intelligence from our intelligence services. That is literally a matter of life or death.

I have heard lots of names of journalists and newspapers from the hon. Gentleman. We all have our favourite journalists and favourite newspapers, but I would not expect some of them to write a good story about the Government this side of the next millennium.

The hon. Gentleman is right to note that the United Kingdom is close to the United States of America and that the UK intelligence services are close to their US opposite numbers. I am sure that the House expects nothing less. International co-operation is critical, especially in these times, when it comes to countering international terrorism. Our relationship with the United States is a mutually beneficial one that enables us to co-operate closely where our interests coincide and to discuss, debate and disagree privately where they differ.

However, any suggestion that the SIS is unquestioning in its relationship with the Americans—whether with the CIA or with anyone else—is to mistake the nature of that relationship. For obvious reasons, it is impossible to discuss the operations of the SIS or its co-operation with the CIA in detail, but I should like to set out its legally defined functions, since they are at the heart of what the hon. Gentleman asked me. I should also like to discuss the oversight mechanism, which I hope will offer him the reassurance that he seeks.

The SIS was placed on a statutory basis by the House in the Intelligence Services Act 1994, which was modified by the Regulation of Investigatory Powers Act 2000. The functions of the SIS as Britain's foreign intelligence service were set out in that legislation as follows:

> "to obtain and provide information relating to the actions or intentions of persons outside the British Islands; and…to perform other tasks relating to the actions or intentions of such persons."

The Acts also stipulated that those functions should only be carried out by the SIS if they are

> "in the interests of national security, with particular reference to the defence and foreign policies of Her Majesty's Government in the United Kingdom; or…in the interests of the economic well-being of the United Kingdom; or…in support of the prevention or detection of serious crime."

In order to ensure that the SIS carried out those functions and those functions only—it is important to remember this, as the hon. Gentleman has raised some interesting questions—the two Acts set up the following oversight mechanisms.

First, if the SIS wished to carry out an action that would be otherwise unlawful, it could apply for an authorisation to be issued by the Foreign Secretary. The authorisation may only be issued if the Foreign Secretary thinks it necessary for the discharge of the SIS's functions that a particular action is taken and is satisfied that the proposed action is proportionate and reasonable.

Secondly, the decisions of the Secretary of State to give authorisations are subject to the review of the Intelligence Services Commissioner who reports at least once a year to the Prime Minister, who in turn lays the commissioner's report before Parliament. The commissioner must be a person who holds, or has held, high judicial office and every member of the SIS is under a statutory duty to provide him with all the documents and information he needs to carry out his functions.

Thirdly, there is a tribunal of judges and senior lawyers with the power to investigate individuals' complaints against the SIS, make awards of compensation or, for example, quash or cancel any warrant or authorisation. If a complainant is dissatisfied with a decision of the tribunal, they may decide to take their case to the European Court of Human Rights in Strasbourg.

The operations of the SIS are therefore carried out within a strict statutory framework, overseen by the Foreign Secretary and scrutinised by members of the senior judiciary.

The hon. Gentleman has questioned the use of intelligence in the run-up to the war in Iraq, and the degree to which the agencies were happy with that use of intelligence. He has also raised concerns over the behaviour and the subsequent appointment of John Scarlett as chief of the Secret Intelligence Service.

I do not propose to revisit the exhaustive work carried out by Lord Butler of Brockwell, or the conclusions and recommendations of his report—no doubt that will be debated and discussed as long as the assassination of Kennedy—but I will highlight that, as noted by the Intelligence and Security Committee in its annual report, which was debated in the House as recently as 11 July, the Government have adopted Lord Butler's recommendations to improve both the

[Dr. Kim Howells]

validation of intelligence and the ability of dissenting voices to challenge conclusions based on that intelligence.

The SIS has also reorganised and strengthened staff responsible for the overall quality of intelligence and the process by which it is produced, and that is very important. Mechanisms have been put in place to ensure that senior officers in the Defence Intelligence Staff see all relevant information. A confidential guide on the nature, collection and use of intelligence has been produced for those who read and use it. Assessment boxes are included on the Joint Intelligence Committee's assessments papers to explain the limitations of the intelligence on which the assessment has reached its conclusions. I am appreciative of that, as it helps a great deal if we have an explanation of where intelligence has come from, how reliable it is likely to be and whether it can be corroborated from elsewhere. I think that is an important step forward.

A professional head of intelligence analysis has been appointed and is leading work on the training of analysts, and the JIC assessments staff have been expanded. Written dissent from JIC assessments can be included in the paper to which they refer, the JIC assessments staff have access to the Agencies' Staff Counsellor, and the DIS has a mechanism for expressing dissent within the Ministry of Defence.

The Intelligence and Security Committee welcomed these changes, and has said that it hopes that they

> "will have a positive impact on decision-making at the highest level of the intelligence community."

I will now try to answer at least some of the hon. Gentleman's questions. I noted around 15 questions, but I will try to answer the most important.

First, the hon. Gentleman raised a number of issues about John Scarlett, or C as he is officially known. The former Foreign Secretary—now Leader of the House—appointed John Scarlett on the basis of recommendations he had received from a totally independent selection panel following standard Civil Service Commission practice. The process followed precisely the same pattern used to select similarly graded permanent secretaries. The key consideration was to appoint the best person for the job and on the advice of the selection board, the former Foreign Secretary concluded that John Scarlett was indeed the best candidate. The Prime Minister did not intervene in the selection process, but was consulted as it came to an end, when he gave his approval.

The SIS has made considerable progress since John Scarlett's appointment and steps that can be described publicly include the implementation of the recommendations of the Butler review—welcomed by the Intelligence and Security Committee—and the unprecedented move to open recruitment to enable the expansion necessary to counter terrorism, which was also welcomed by the ISC. The SIS has set up a new website and I am sure the hon. Gentleman knows the address, but I will tell him anyway: www.mi6.gov.uk.

On the SIS carrying out illegal operations, as the hon. Gentleman knows, the SIS is drawn from the ranks of the UK population. The staff therefore share the legal and human rights priorities of the UK as a whole and are trained to operate within the Acts that define the service's role. The SIS's compliance with legislation is clear from the reports of the commissioner that have been made over many years. In the extremely unlikely event that officers of the SIS attempted to carry out an operation that required the Secretary of State's authorisation without obtaining approval, they would be subject to the same liability in law as any other UK citizen. I welcome that and hope that the hon. Gentleman does too.

There are both internal and external systems in place to prevent unauthorised action. Internally, the SIS is structured in such a way as to prevent any person or group carrying out an illegal operation without it coming to the attention of officers who report directly to SIS's senior management. The SIS reports any errors in its oversight process to the Intelligence Services Commissioner, who includes them in his report to the Prime Minister. The right of access to SIS's records by the commissioner and the Investigatory Powers Tribunal means that any attempt to act independently of ministerial authorisation could be detected either as a result of a direct complaint or in the course of the commissioner's routine and regular scrutiny.

Infuriatingly, we are running out of time, but I want the hon. Gentleman to know that the Government are not involved in any form of torture in any way, nor do we condone torture, or tactics that undoubtedly were used at some stage in the past by people with whom we ally ourselves. I have made many visits to Afghanistan and Iraq, and I believe that nations are judged to be civilised and modern on the basis of how they treat not only their own citizens but the citizens of other countries. That means, at its most acute moment, how they treat those they have in custody, where they may be able to do things to people that they would not normally be able to. I want to make it clear that the Government are not involved in any of those activities whatever and that we would not for one moment allow such behaviour.

We have tried very hard to convince people, including the hon. Gentleman—who among others has quite properly tabled a number of questions on the subject—that we have never played a part in extraordinary rendition other than the examples that my right hon. Friend the former Foreign Secretary readily and openly gave to the House. The Government will continue to be open about extraordinary rendition and try to answer all questions properly.

Norman Baker: I am grateful for that statement, which is clear and very welcome. As we are running out of time and I asked a lot of questions, will the Minister do me the courtesy of replying in writing to those we have been unable to deal with?

Dr. Howells: I will certainly try to answer some of them, but I am aware that there are questions that could involve security issues, and I will need to check this. They also may involve an awful lot of work by our Department, and I am loth to say yes, I can answer all the questions. Perhaps, if the hon. Gentleman would be kind enough to drop me a line, I will consider the answers I can give.

Sitting suspended until half-past Two o'clock.

London Orbital Rail Network

Derek Conway (in the Chair): It will be in order for colleagues to remove their jackets if they wish. It is a warm day; perhaps the hottest of the year.

2.30 pm

Martin Linton (Battersea) (Lab): Thank you, Mr. Conway, for that dispensation, which I am sure will be appreciated by both sides.

I asked to have this debate because I am aware that transport debates are often dominated by people from other parts of the country who have longer to travel and rely more on the railways. In fact, travelling by rail is more of a London habit, and half the people who travel by train are Londoners. It is important that, from time to time, we have an opportunity to put to Ministers the particular concerns of London Members, especially when faced with the enormous levels of growth both in the capital and in the use of railways.

Mr. Mark Field (Cities of London and Westminster) (Con): I am sorry to disturb the hon. Gentleman so early in his speech, but perhaps a point we should also make as London Members is that London railways are used by hundreds of thousands of constituents from outside the capital—for example, as far away as east Kent. Therefore, the state of London railways is an issue of great concern well beyond the 74 constituencies in the capital.

Martin Linton: It is absolutely true that the railways in London perform vital functions for three groups: first, the people who live in London; secondly, those who work in London and travel in daily; and thirdly, those from all over the country who travel to London. Those points should not be overlooked, especially by Members who represent a constituency that is a long way from London and see the issue as involving competition between their transport needs and ours.

I am not sure whether hon. Members have seen it, but there is an early-day motion tabled by my hon. Friend the Member for Manchester, Blackley (Graham Stringer) that notes the achievements of the Government in the last comprehensive spending review when they agreed to a five-year investment programme with the Mayor, and calls for the Government to use the next comprehensive spending review in 2007 to raise the level of transport spending in the UK's other metropolitan areas and to address the gap in spending per head. The motion does not call on the Department to stop funding Transport for London's investment programme, just to match it elsewhere, which suggests that London has had its turn and it should be the turn of other areas now.

That approach suggests that rail transport should be seen as an on-cost. I suggest that it is far better to regard it as an investment that contributes between £9 billion and £15 billion to central Government: much more than it receives. Investment in the London transport system benefits not only Londoners but the entire country. It is often suggested by people outside London that the capital is overheated and overcrowded, and that the pressure needs to be relieved by having more investment outside London. In fact, London has substantial under-used resources: there is high unemployment in many parts and low employment rates, as well as many bottlenecks that prevent the effective use of resources.

In addition, the population of London is due to grow by between 900,000 and 1 million in the next few years, and those additional million residents will be living all around London, but working mainly in the centre. In order to accommodate this huge pressure on the capital, TFL has introduced proposals for London's transport investment needs in "Transport 2025", and more specifically in "Rail 2025". The centrepiece of that is the East London line and the North London railway, both of which provide mainly orbital routes that will join up in about six years to form a London orbital rail network. It is worth while spending some time understanding the implications of that.

The 2001 census showed that, although 38 per cent. of Londoners live and work in the same borough—a figure that has been falling rapidly; it used to be much more than that—25 per cent. travel into central London along radial routes, like the spokes coming into a hub, and 19 per cent. take orbital journeys to work. That was defined in the survey as someone who lives in one borough, but works in another that is not in central London, so the journey to work is not radial but orbital. That means that for every four commuters travelling into the centre, there are three travelling across London to get to work. Inevitably, a far higher proportion of orbital commuters travel by car, partly because they often have to because there is no public transport, and partly because they can.

It is not only Londoners who make orbital journeys, as commuters and travellers going through London do not particularly want to go through the centre. One of the key points about the London orbital is that it will provide interchanges where commuters coming into London can switch to the orbital route to avoid travelling through the centre. That will be at places such as Clapham Junction, Willesden Junction, which is in the constituency of my hon. Friend the Member for Brent, South (Ms Butler), West Hampstead, Stratford, and in east and south London at points that are not yet exactly clear. There will be places where all the trains stop and people can get off and, instead of going to a London terminus, they will be able to travel more directly to where they want to go. Indeed, I welcome the fact that the Mayor of London has recently discussed powers to enable him to insist on the train-operating companies stopping at these orbital interchanges.

There has already been a 30 per cent. rise in rail journeys and there is another big increase to come that can never be met by the traditional model of everybody coming into the centre and then travelling to their required destination. Victoria station is already so overcrowded that it often has to be closed during rush hour because there are too many people on the platforms. The irony is that many of the people who travel into the centre do not actually want to be there.

A further reason why we need an orbital rail network is to serve the communities that were forgotten or overlooked by the tube network when it was created. South London springs to mind in that context as, certainly in my part of south London, it was believed at

[Martin Linton]

the time that clay could not be tunnelled through. Although it is now considered to be the best material for tunnelling through, large parts of south London where left without the tube for that reason. The constituency of my hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) is another example of an area of London that has never had a tube. It is only now with the arrival of the East London line that it will have a tube system. That means that communities that have so far been deprived of the advantages of having a tube will now have it. People hardly know that Haggerston and Hoxton exist because they are not on the tube, but they will now have new stations.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Of course, everyone knows about Haggerston, and I live a few steps away from the new station there. Does my hon. Friend agree that the advantage to the people of Hackney of the new orbital route and the East London line is not just the convenience of being able to access the tube, but that it will play an important role in regeneration in an area which has long had some of the highest unemployment rates in the country?

Martin Linton: My hon. Friend makes the point for me that these are real places with real transport needs, but because they have not appeared on the tube map until now, they have been relatively less well known. It is a huge problem in south London, particularly for the entertainment industry and tourist attractions, that tourists always navigate entirely using the tube map—indeed, this is also the case for some north Londoners—and do not recognise the existence of anywhere served only by the rail network. I very much hope that the new East London line, whether it is run as a tube or metro service, will be on the tube map. The biggest single benefit will come from people seeing that we are on that map and being able to find the service.

I mentioned Haggerston and Hoxton, but Dalston Junction is also involved. There is a new station at Surrey Canal road and another at Sands End—although I believe that it will be called Imperial Wharf—in Hammersmith and Fulham. Furthermore, Shepherd's Bush will soon be linked to the West London line and, at last, 163 years after it was built, Clapham Junction will be on the tube. That is of enormous interest to my constituents.

Orbital routes are important. In so far as the great expansion in demand for transport in London relates to radial routes, it can already be accommodated simply by building longer trains, longer platforms and better signalling. That is what the rail industry will do. I do not underestimate the cost; the project will use a lot of Department for Transport and Transport for London resources, but it is a relatively simple and straightforward solution.

London's great fortune is that we also have orbital routes: the South London, East London, West London and North London lines, which have been underused over the years. They are full of freight paths and run very few passenger trains, which in some sections come only once every 30 minutes. The project will cost a lot of money, but all we have to do is join up those four routes to have a ready-made orbital network.

Ironically, the first phase of the East London line extension is not so much an orbital route as a radial route in from Croydon and Crystal Palace. However, it paves the way for an orbital route, and the second phase of the East London line extension—the one of main concern to me and some of my hon. Friends—will be an orbital route. Not only that, but, as it provides the missing link, it will allow all four East, North, West and South London lines to be joined up in a network that will enable a full orbital route to exist. Work is already well under way; the enabling works contract for the first phase, involving work on viaduct bridges, was in June last year. The rolling stock contract is already advanced and the main works contract, worth £500 million, is expected to be awarded next month. The bidding process for an operator for the East London and North London lines is already at an advanced stage. The appointment should be made next year and the completion date is June 2010.

Phase 2 is vital because it will link up the orbital route. It is crucial that it follows on directly from phase 1. That, of course, depends entirely on the Treasury and the Department for Transport providing sufficient capital or prudential borrowing to TFL to continue the programme on which it has embarked. The Mayor of London has told me that he regards the East London line as a single project. Provided that he can get the prudential borrowing or capital that he needs in the comprehensive spending review, he intends that phase 2 should follow on from phase 1 and he thinks that things could be ready within three years.

That, ironically, would take us to June 2013, just 10 months after the Olympics. It would be good to know that there was a way of ensuring that the work was completed before the games. Although there is a promise to build the East London line in my party's manifesto, there has been no promise that it will be ready on any particular date.

Jeremy Corbyn (Islington, North) (Lab): My hon. Friend is absolutely right in saying that we need the link. I am concerned that there is a phase 1 and phase 2 when it would be much better if it were all done in one phase. My suspicion—and, I suspect, that of my hon. Friends—is that phase 2 might get delayed for funding reasons. We need a clear commitment that phase 2, which includes a planned extension to Highbury and Islington in my constituency, will be followed and that we will retain the option of a link to Finsbury Park, which would become a sub-orbital network in the same way as my hon. Friend has outlined in other cases. Does he support that position?

Martin Linton: As the Government were committed to building the East London line in their manifesto and as it follows the logic of all their transport policies, I remain completely confident that they will enable phase 2 to go ahead so that trains eventually run from Clapham Junction to Highbury. I accept that, to create an orbital interchange in that part of London, it would make huge railway sense for Finsbury Park to be added to the system. It is a natural hub, whereas other stations in the area are not.

The cost is great; greater than anticipated. Phase 1 of the East London line will cost close on £1 billion. Originally it was a national scheme, but it is now a London scheme; London is borrowing the money to carry it out. The Treasury, through the Department for Transport, funds the Mayor of London to enable the money to be paid back.

By comparison, phase 2 is costed at only about £250 million to £275 million. I regret to inform my hon. Friends the Members for Hackney, North and Stoke Newington (Ms Abbott) and for Hackney, South and Shoreditch that, of that £275 million, £200 million is the cost of extending the line by just two stations, up to Highbury and Islington. For technical reasons that I do not fully understand, that is the expensive part of the project. None the less, it is very important that it should go ahead. It might be worth pursuing why that cost is so disproportionate.

The southern extension to Clapham Junction, my main concern, is a relatively cheap £75 million, most of which is to build the new station at Surrey Canal road in the constituency of my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock). Once that has been built, we shall campaign for a station at Brixton. The idea of having a line in south London that goes through but does not stop at Brixton seems extraordinary. The Mayor has commissioned a business case for a station at Brixton, although that would involve huge technical difficulties. I shall pursue the same strategy and get a business case for a station in north Battersea.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): I agree that it would be great if the trains stopped at Brixton. That would enable people to visit Hoxton and Haggerston, which many people have heard of and do visit, but with greater difficulty than if they were a station in Brixton.

Martin Linton: My hon. Friend will know the difficulties of travelling from one part of London to another when it involves going through the centre. That problem will become very apparent during the Olympic games. People living outside London think that London has the Olympics, but east London has them. The difficulties that people living in south-west London will have in reaching the Olympics would be very great at the moment but would be considerably helped by the new line. Similarly, if a person wants to travel from Brixton to Hoxton, their journey, which would now take 50 or 55 minutes, would be reduced to about 15 or 20 minutes.

Ms Dawn Butler (Brent, South) (Lab): I agree strongly with my hon. Friend and with my hon. Friend the Member for Islington, North (Jeremy Corbyn), who said that we should consider doing all the work under phase 1, especially given that the Olympics are so near. Given the Olympics, Wembley and even the line from Queen's Park to Stratford, does my hon. Friend the Member for Battersea (Martin Linton) agree that the extension of the London orbital network, by joining east, south, north and west London, is paramount to having a successful Olympics?

Martin Linton: I agree absolutely. We must remember that the Olympics are just six years and two weeks from now. We are talking about a transport system that will last 100 years, but if the Olympics helped to concentrate minds and demonstrate the advantages to people, that would serve a purpose. If we had an orbital route functioning for the Olympics, so that people from all over London found it easy to get to them, that would be of great benefit to them.

I come back to the point made by my hon. Friend the Member for Hackney, North and Stoke Newington: the most important reason for having an orbital route in London is regeneration. When the East London and the North London lines are joined together under a single operator, they will bring into the London rail and tube system nearly 100 new stations—about 30 on the East London line and about 60 on the North London line. Those lines go through 80 per cent. of the wards in the top 20 per cent. of deprivation in London. Four out of five deprived areas will be served by them.

Some people say that it is old fashioned to see the structure of London as a well-to-do centre, a deprived inner ring and a wealthier ring of suburbs. There are many exceptions to that pattern, and one could point to parts of outer London that are becoming more deprived. Nevertheless, a central pattern exists, and an orbital route would be good for regeneration because it would link all those places. The south London spur, which will cost £75 million, would enable people in north Battersea, Clapham, Brixton, Camberwell, Peckham and Deptford to get to jobs in docklands in 15 or 20 minutes. At present, those journeys might take well over an hour. An orbital route would bring employment opportunities to many deprived areas, and I am sure that one can make a similar calculation for the Gospel Oak to Barking line and the North London line, which will end at Stratford.

Jeremy Corbyn: As my hon. Friend knows, the Barking to Gospel Oak part of the North London line was saved from closure some years ago when a previous Government tried to get rid of it altogether. However, in advance of the construction of the necessary links that he outlined, it is possible already to improve the service by running trains beyond Gospel Oak through to Willesden Junction and Ealing Broadway. As wonderful as Gospel Oak is, it is not a natural suburban interchange. Trains from Barking could easily run to many more destinations all around London. I hope that if TFL is listening to or hearing about this debate, it will recognise that that can be included in the service requirement document now, even before the new lines have been constructed.

Martin Linton: Indeed, I believe that Network Rail is already waking up to those possibilities. It conducted a worthwhile, although very overdue, exercise to produce the cross-London rail utilisation strategy, which considers the use that is being made—or not being made—of those lines. For instance, Network Rail has started running trains straight through from Clapham Junction to Gospel Oak through Willesden Junction, but they are infrequent and under-publicised. The trains are choc-a-bloc with people who know about the route, but the marketing of railways within London has been poor, and there are many examples of stations that are full of regular commuters but little passing trade.

[Martin Linton]

One of the problems with the railways in London as opposed to the tube is, strange as it sounds, a marketing problem. Everybody knows about the tube. They understand the tube map. People who arrive in London instantly grasp how the tube system works and where they can get to, but people who have been living next to a rail station, perhaps for nine months, still have not discovered that they can get regular trains from it.

The train-operating companies need to understand that their mission in life is not simply to take people in and out of London but to take them around London—in other words, to have a tube mindset rather than an inter-city mindset—and they must market the stations and the services that they provide to the population in a way that can be understood. The companies must operate a turn-up-and-go system. It is no good expecting Londoners who are used to the tube to memorise the times of trains at all their local stations. Unless they are regular commuters, they will not do that.

Ms Butler: Does my hon. Friend agree that having a single operator would mean that stations would be safer and that secure stations accreditation could be more easily rolled out along the network?

Martin Linton: I pay tribute to the good work that my hon. Friend has done on the safer stations scheme in respect of stations in her constituency and elsewhere. I had a long campaign to get one of my local stations, Queenstown Road, staffed. It was completely unstaffed for 11 years, but now there is one member of staff. That helps the situation enormously, and regular users of the station are much happier about it. One of the reasons that people are put off using the railways as opposed to the tube system is the fear of crime and unlit stations. They are afraid of walking into a station and suddenly realising that they are the only person there, and that there are no staff to protect them in the event of an emergency. I very much welcome safer stations.

London has a huge advantage because of the railways. My constituency is practically made of them. Hundreds of lines criss-cross it in every possible direction, but the local residents get little use out of them. Bizarrely, many stations in inner London were closed in the 1940s, 1950s and 1960s, partly because of the Beeching inquiry but even before it. For example, Battersea High Street station on the West London line was closed during the war. Stations in Camberwell and Walworth were closed at about the same time, and there are now long lines of railway track with passing trains that do not stop, even though they pass through some of the most densely populated areas of the entire country.

The existing mainly cross-London railway routes are a huge asset. They could be used if they were added to the tube system, invested in, joined up, marketed and run by a single company under the auspices of TFL, which has played a key role in focusing our energies on this issue. London transport could be a real success story in years to come.

Harry Cohen (Leyton and Wanstead) (Lab): My hon. Friend is making an extremely good case for a an orbital railway around north and south London, but may I bring him back to the Barking to Gospel Oak line, which is very important in my constituency? Is not there a powerful case for approving electrification of that line? First, it would mean that diesel trains would no longer be used and, secondly, it would increase the capacity for freight on the line.

Martin Linton: I have to confess that as a south Londoner I only recently heard of Gospel Oak. I had to look it up on a map. I am glad that it has been included in the North London railway concession and that we have trains from Clapham Junction along the Gospel Oak line, but the fact that that line, which runs from Barking through my hon. Friend's constituency, through Tottenham, Leytonstone, the whole of Haringey and Islington and ends up in Camden, has been so little used is a poor reflection on the use of London railways. Indeed, I did not realise that it is not an electrified line.

I have, however, a slight concern about freight. I believe, as I am sure we all do, in as much freight running on the railways as possible, but a huge amount of the freight running through London does not actually have anything to do with London. It is going through London from Felixstowe to Liverpool, or it crosses the Battersea railway bridge in the journey from Dover to Newcastle. That railway bridge takes all the freight coming from the channel ports and going north of London. Yes, we believe in freight, but we do not want it to clog up London lines so much that Londoners themselves do not get adequate use of them.

Tom Brake (Carshalton and Wallington) (LD): The hon. Gentleman speaks knowledgeably about the need to increase the use of trains and to raise their profile in London. Would he agree that one of the most effective ways to do that would be to move as quickly as possible to allowing the Oyster card to be used on both trains and tubes? Not being able to use it on trains must be one of the most restrictive things in terms of encouraging train use.

Martin Linton: I agree with the hon. Gentleman and I believe that the plans are well advanced. The Mayor has made the campaign his own and he has had considerable success in achieving that goal. Many of the Londoners who want to use trains will want to use their Oyster card on them.

I have rather liberally interpreted my prerogative as the person who was lucky enough to secure the debate, and I have stayed on my feet for half an hour. I know that my hon. Friends and other hon. Members want to join in, and I have perhaps taken up too much time already. However, I should emphasise that we in London have a huge opportunity because we are on the way to completing the East London line, which is one of the major transport infrastructure projects in the country. It is essential to my constituency and, indeed, to my future in it that phase 2 follows on from phase 1, although I am arguing for the project not in personal terms, but in simple, common-sense transport terms. This is an excellent project from the point of view of transport, regeneration and, indeed, social equity, and I very much look forward to hearing what my hon. Friend the Minister has to say in reply to the debate. I also look forward to hearing the contributions of my hon. Friends and other hon. Members.

3.1 pm

Mr. Mark Field (Cities of London and Westminster) (Con): I thank the hon. Member for Battersea (Martin Linton) for his speech. Thank goodness it was a 90-minute debate, not a 30-minute debate, otherwise no one else would have had a chance to contribute.

Given the hon. Gentleman's insatiable desire to know more about Gospel Oak, I should perhaps tell him—my friends in the London borough of Camden would be keen to point this out—that Gospel Oak was one of the wards that went to the Conservatives in the recent local elections. Indeed, I believe that our majority there is rather bigger than the hon. Gentleman's majority in his parliamentary seat in Battersea, but that is another matter.

This is a useful debate. The failure to invest in London's infrastructure, especially its transport infrastructure, is regarded as the single biggest issue facing London-based businesses. The debate is also timely, given the Conservative party's transport initiatives, particularly its rail transport initiatives, which have been announced in the past 48 hours. Our concern is that the railway transport system is too disjointed and broken up—a complaint that goes back to the privatisation that took place under the Conservative Government. However, it could also be said that transport policy making in London as a whole is too disjointed.

One reason why we, as London MPs, perhaps have a somewhat limited voice on the matter is that much of the policy making and day-to-day decision making on transport is in the hands of the Mayor, Transport for London and the Greater London authority. That makes it difficult for us, as London MPs, to have our voice heard. As I said in my brief intervention, one of the biggest issues is that London transport affects not only the 74 London constituencies, but many constituencies and constituents far beyond the capital. It is all the more important, therefore, that debates such as today's take place.

I worry particularly about financial services and the creative industries, because we need to promote those important areas of growth in our economy. For historical and other obvious reasons, those industries are based in London, and we need to do our bit to ensure that the infrastructure, and the transport infrastructure in particular, is promoted.

I appreciate that other hon. Members have quite a lot to say, so I shall not say too much, not least because none of the orbital railway directly affects my constituency. It just outside my constituency, although it might assist parents in Hackney who happen to send their children to schools in my constituency, as well as people making other journeys. However, the City of London corporation is keen to ensure that there is proper investment in the east London link line, and it welcomes the progress that has been made so far on phase 1. I have walked through the constituency of the hon. Member for Hackney, South and Shoreditch (Meg Hillier) and seen the disruption in Hoxton and Haggerston. An enormous amount of building work is going on, but it will all be to good effect in the longer term. I hope that phase 2 will ensure that there is an interchange with the Victoria line, which is crucial, for the reasons set out by the hon. Member for Battersea.

I do not want to speak only from a north London perspective, so let me also say something from a south London perspective. Thankfully, I have heard of Battersea and Clapham Junction, and it is important that they are linked in to the system so that we have a proper orbital railway. That will ensure that the City is well catered for and that people will be able to use the orbital railway, at least until the last available point, when they will have to take another form of transport, which might be a bus, rather than the tube or the train. That will also ensure that we take the earliest opportunity to avoid a lot of the wasted journeys that result, as the hon. Gentleman rightly said, when people go into central London, only to come straight out again.

I congratulate the hon. Gentleman on securing the debate. He is right to suggest that the London orbital railway may prove to be a most effective means of improving London's train transport. I have 34 tube stations in my constituency, but, as I said, none of them is directly affected by the orbital link. However, if we can ensure that there is proper investment, we might well alleviate some of the problems that people experience when the tube is very busy, particularly on days such as this.

Let me say a quick word about Crossrail, which is a central issue for most London Members. I am pretty realistic about its prospects: notwithstanding the enormous time and effort being expended in this place on the hybrid Bill, it is highly unlikely that Crossrail, at least under the current plans, will ever be built. I do not think that the finances will be there, given that the cost is projected to be £13 billion, £14 billion or £15 billion and is rising fast. However, I hope that serious thought will be given, whatever the colour of the Government, to ensuring that at least part of the projected Crossrail infrastructure is built. In particular, I hope that we shall have a line that links the City of London with Canary Wharf and perhaps the Thames Gateway, which will be necessary if that redevelopment area is to be viable in any meaningful way.

All of us as London MPs irrespective of our party have an important message that we would like to get across to the Minister. Our voice is inevitably somewhat silenced by the fact that we have a Mayor and Transport for London, but that arrangement should enhance London's transport, not diminish it. It is greatly to be regretted that the Department for Transport has taken its eye off the ball in respect of London's great needs, although, to be brutally honest, the same would be true if we had a Conservative Government. How we deal with London's substantial needs will affect its standing as a financial and tourist centre and whether we have a viable and thriving economy in the years ahead, all of which will have an enormous impact on the 560-odd MPs who do not represent London seats. I hope that the Minister will take due note of what has been said and of what other hon. Members will say, because we need to invest. In so far as the enormous sums required for Crossrail cannot

[Mr. Mark Field]

be promised, please can the Government ensure that they put money towards getting the orbital railway up and running?

3.7 pm

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): It was only at the end of 2003 that I was talking with a Hackney resident who summed up the frustrations about the east London line that people have felt for years by sighing and saying, "You know, ever since I've lived in Hackney, the east London line's been about seven years away." Now, only a few years later, we know that phase 1 of the east London line will be delivered by 2010. It is long overdue, but very welcome in Hackney.

We now have the building blocks in place for the London orbital railway, on which many of us have campaigned for many years, but we need the final links. I differ slightly from the hon. Member for Cities of London and Westminster (Mr. Field) in saying this, but it is worth acknowledging that having a London Mayor and a transport body for London has transformed the prospects for an orbital railway. I should underline for the Minister that Transport for London has a track record on delivery, and London's civic and political leadership is also keen to champion the interests of Londoners. In addition, the Government have trusted Transport for London and the Mayor to deliver on several such projects, and Ministers should continue to support the long-fought campaign for London's outer circle line.

As well as regenerating the area concerned, as my hon. Friends the Members for Battersea (Martin Linton) and for Hackney, North and Stoke Newington (Ms Abbott) said, the orbital railway will relieve congestion on the most central London routes. We have a crazy system now, with many people having to travel into London to get anywhere quickly. Those who use the north London line, for example, find it an invaluable link, but it is also frustrating.

Hackney is an anomaly in London transport terms: it is an inner-London borough with no tube. That is reportedly because a large Victorian landowner refused to have tunnelling under his land, although, as my hon. Friend the Member for Battersea suggested, it might have been linked to the geology and the clay that is prevalent in Hackney. However, we have suffered long as a result of that accident of history. Hackney can, arguably, claim one staircase of Old Street station and perhaps one staircase of Manor House station, in the constituency of my hon. Friend the Member for Hackney, North and Stoke Newington,. We like to claim the little that we can for each of our constituencies, but it is a poor show for a constituency that reaches as far as Broadgate and Liverpool street in the heart of London to have nothing on the tube map. My hon. Friend the Member for Battersea and I therefore form an alliance, with my hon. Friend the Member for Hackney, North and Stoke Newington, in our unfortunate distinction as MPs for central London boroughs with no tube.

In Hackney we have long campaigned for better transport links. As the hon. Member for Cities of London and Westminster said, it is great to see the bridge-strengthening works under way down the route in Hackney, where the track bed has been sitting there for years, frustratingly under-used. Those works may cause some local temporary inconvenience, but people are not sad to see it. Although there may be local day-to-day problems, we are delighted to see the work on the East London line.

From November 2007, Transport for London will take control of the North London line in my constituency. That will be another crucial link on London's outer circle line. When Transport for London takes over and lets the franchise, the service will increase to eight trains an hour.

Ms Abbott: Does my hon. Friend agree that the people of Hackney, who look forward to the completion of the East London line and the orbital line, still look forward with optimism to proper funding for both Crossrail 1 and Crossrail 2, so that the residents of Chelsea can come to Hackney and explore all our cultural and gastronomic delights?

Meg Hillier: How can I fail to agree completely with my hon. Friend? Hackney will be on the map in so many ways—as it is already for those of us who know and love it. We are prepared to share that secret, or the best bits of it, with the many visitors we expect to receive.

When Transport for London takes over the North London line, there will be real-time information and better facilities. Staffing has been promised for stations, as well as longer and better trains, which are on the way to being ordered. That will transform a line that is very well used, but which, as the Transport Committee of the London assembly recently acknowledged, lets down many residents. Despite increases in the number of rush-hour trains, the crush at rush hour is worse even than on parts of the tube system. It is, however, a vital link to central London, so we look forward to its getting better, and to the arrival of the East London line in 2010.

All that is welcome, but we benefit from every extension that creates the full Orbirail—the full outer circle line. People in Hackney want to go places, and, as has already been touched on, we want to welcome people to Hackney, including Haggerston and Hoxton. I look forward to entertaining my hon. Friend the Member for Battersea in some of the restaurants there. Although I do not want to suggest that they are better than those in Battersea, I think that we can equal if not improve on his gastronomic and cultural experiences in our exciting and historic area of London.

Transport is important for Hackney, but it should be considered in the London context as well. The population of London is set to grow by 1 million by 2025—a number greater than the populations of many cities in this country—and we must manage that in a sustainable way. We need to transport Londoners around London in a way that is sustainable and continue to get Londoners out of cars. There has been a drop in car use as well as an increase in bus use, but we need to improve the links that we have. The improvements we are discussing will contribute to that process.

London also contributes £9 billion to £15 billion to central Government. I point out to my hon. Friend the Minister that that is significantly more than it receives in spending. It is high time that London residents got their due. Of course, as the hon. Member for Cities of London and Westminster pointed out, not only London residents will benefit, but the many people from around the country who travel on London's train system.

The capital also has the highest poverty rate in England and some of the worst housing, public health and homelessness in the UK. I have highlighted those issues as they affect Hackney on other occasions, so I shall not repeat them in this short debate, but I want to point out one issue. The number of incapacity benefit claimants in my constituency is the second highest in London: there are 7,400 people claiming, 63 per cent. of whom are under 50. Yet the constituency goes right down to Broadgate in the City. Unemployment in the area is still too high—higher than the national average. The transport links will do a great deal to get people more easily into different types of work in different parts of London.

I conclude with some key points for my hon. Friend the Minister to take up. First, I hope that the Government can work with Transport for London to produce a funding package to reinstate the western curve at Dalston. That is critical to the linking of the North London and East London lines at that very important junction for all of us in Hackney, which will become even more important as it is improved for Londoners in general. It is not yet clear whether that can be done in time for the Olympics, but Transport for London is working on it in detail at the moment. I fully support its aim to get the link built and opened in time for the 2012 Olympics. I hope that my hon. Friend the Minister can comment on what the Government are doing to support Transport for London, which, I repeat, has a track record of delivering projects on time and to budget. It is, in financial terms, one of the best managed public authorities in the country.

Secondly, I hope that we can secure a better station than is currently planned at the Geffrye museum, the Haggerston station. I am taking up that matter with Transport for London. Thirdly, we want all the routes to be well marked on all maps. Often, people who do not know our area of Hackney and parts of London that the outer circle line will benefit get confused about where they are. We have had big improvements in signage since we have had a transport body for London and I hope that that will continue, particularly for the outer circle line.

Finally, to reiterate points that other hon. Members have made, funding for phase 2 of the East London line needs to be forthcoming. It is great to have it for Hackney, but we want to go places and have people come to us, as well has having our own little bit of railway line on the East London line, and we would like a commitment from the Minister—today, if possible—about phase 2.

3.16 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): I congratulate my hon. Friend the Member for Battersea (Martin Linton) on securing this important debate. Whenever people talk about investing in London's infrastructure, MPs who do not represent constituencies inside the M25 are often a little sceptical. It is important to use this debate to state that investment in London infrastructure is not just for the benefit of Londoners; it benefits the entire national economy and should be seen in that light. I also congratulate my friend and comrade the Mayor of London, Ken Livingstone, for the leadership that he has shown throughout. People in Hackney are very relieved that he has now taken over the North London line and that the improvements in frequency and in investment that he has planned will happen.

It has already been said that the importance of an orbital route in London, going through Hackney and all the way to south London, cannot be overstated. It is beneficial in terms of regeneration and employment—we have serious unemployment and underemployment problems in east London—and it is beneficial for London as a city. I was amazed to hear that my hon. Friend the Member for Battersea had never heard of Haggerston. I live in Haggerston, which should be reason enough for it to be imprinted on his memory. I look forward to having a new East London line station a few steps from where I live. Although all the stations will be in the constituency of my hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) the East London line is vital to my constituency for travel into central London.

I congratulate Transport for London on the work on the East London line that it has quietly gone ahead with. I hope that the funding for the next stage will be made available. I stress to the Minister that this is not just a London issue, but a national one. Investing in the London infrastructure benefits the national economy. I remind the Minister of something that people may forget: we have in London some of the most severe poverty in the country. Politicians from outside London can often be heard to say, "London is so wealthy, and has so many jobs," but we have pockets of tremendous poverty and deprivation. Infrastructure investment is key to tackling those problems. I urge the Minister, in spite of the tiny bit of scepticism that one hears from MPs outside the M25, to bear in mind the importance of the progress of the infrastructure investment, not just for Londoners but for the country as a whole.

I congratulate the Mayor and Transport for London, who, in a difficult climate, have established themselves as people who deliver. As my hon. Friend the Member for Hackney, South and Shoreditch has said, they should get the funding for the other spur. If the Government are serious about dealing with social exclusion and child poverty, and if they are serious about engaging with all of our diverse communities, they should be serious about investing in London's infrastructure.

3.20 pm

Tom Brake (Carshalton and Wallington) (LD): I congratulate the hon. Member for Battersea (Martin Linton) on securing this debate and on putting forward, in a sensible, calm and collected manner, the advantages of the Orbirail scheme. I hope that the Minister of State will respond in a similarly positive vein.

[Tom Brake]

The hon. Member for Battersea was worried that his lack of awareness of Haggerston and Hoxton would be echoed by other hon. Members. There are hon. Members present who represent Hackney; indeed, I served as a councillor on Hackney borough council, representing De Beauvoir ward, so Haggerston, Hoxton and Dalston are areas that are very familiar to me. Back then, in 1988, we were talking about the need to bring the tube to Dalston and I am pleased that, a number of years later, it finally looks as if it will arrive.

Martin Linton: To avoid a joke turning into an historical fact, what I actually said was that few people have heard of Hoxton and Haggerston because they are not on the tube map and that is one reason why I think it is important that the East London line should appear on that map. Although I am not as familiar with Hoxton or Haggerston as my hon. Friends who represent that area, I have heard of those areas and, along with the people of Battersea, I look forward to their taking their place on the map of the London tube.

Tom Brake: I thank the hon. Gentleman for that clarification. I am sure that the residents of Haggerston and Hoxton will be pleased to hear that he is familiar with those quarters of London.

I think it is true to say that transport in London has improved; whether it is the lengthening of the Jubilee line trains or the new rolling stock on suburban railway lines, there is some good news. Some local authorities, including my own, are beginning to consider the serious issues of congestion, traffic and so on. My local authority was successful in securing funding for turning Sutton into a sustainable town centre and I look forward to seeing how it will tackle issues relating to car use.

However, progress is a bit patchy, and the hon. Member for Cities of London and Westminster (Mr. Field) referred to Crossrail. Although I support that project, like him, I have serious doubts about whether the project will eventually emerge. The link that was made with the Lyons report was very unfortunate, especially as Sir Michael Lyons was not specifically asked to look at Crossrail as part of his inquiry. It seems to have been kicked into the long grass to delay a decision on the subject until a future date when perhaps in a quiet media time there might be an opportunity to make a not terribly positive announcement on Crossrail. I hope that that is not the case, but we will see.

This debate rightly focuses on another missing piece of the transport jigsaw: orbital rail, or Orbirail. As any commuter, traveller or tourist in London knows, it is very easy to make journeys into London and back out again, but it is much harder to make an orbital journey around London by rail. There are a limited number of valued bus services that provide orbital transport links such as the X26 bus route that goes from south-east London through a number of constituencies and on to Heathrow. When such services are threatened there is, rightly, a vigorous reaction and response.

There is, however, very limited rail provision, which is why my colleague on the Greater London assembly, Geoff Pope, has been vocal in campaigning on the issue of orbital rail, a view endorsed in March by the London assembly transport committee report on the North London railway. It called for three things relating to funding, to which the hon. Member for Battersea and other hon. Members have referred: funding for the upgrading of the North London line; funding for phase 2; and funding for the electricification of the Gospel Oak to Barking line.

We already know what is in the pipeline on the North London line upgrades. A view from the boroughs and transportation officers is that when the North London line is opened up and publicised—the hon. Gentleman touched briefly on that point—one of the key issues that must be addressed is the travelling public's awareness of the existence of some of the less high-profile lines. When there is such awareness, there will be a sudden growth in the number of passengers who want to travel on the North London line. The Government need to consider the issue of funding to enable the line to operate as a six-car train service to create the additional capacity that will be needed when people start to use it.

I want to pick up on the point made by the hon. Member for Cities of London and Westminster who asked if the Government have taken their eye off the ball in respect of transport in London. I hope that, when the Minister responds, he will be able to say whether he has had discussions with Transport for London about the North London line upgrades and, if so, whether he supports them.

I hope the Minister will say, too, what time scale will be involved, what costings are associated with the project and whether there is the risk of an impact on 2012. We need to know that a dialogue is going on; I hope the Minister will comment on that and on the line's regeneration potential, which the hon. Member for Battersea mentioned in his opening speech. It is not only about cutting congestion, but about opening up new areas to regeneration which, in the case of the North London railway, could include a huge redevelopment area near the King's Cross railway land.

Developers are looking at rebuilding the stations at West Hampstead and there is potential to reduce the pressure on the main termini, which we must all seek to achieve. Although it is not one of the stations that will be affected, anyone travelling through Victoria knows that anything that can be done to reduce pressure on people coming in to the main termini and swapping to other modes of transport would be welcome.

I do not need to refer to phase 2 of the East London line extension, as other hon. Members have done so, other than to say that I support what they are calling for. However, I shall underline one factor: the range of organisations and groups that are supporting the phase 2 extension, including eight or nine boroughs, the Corporation of London and a large number of businesses. They are very keen for funding for phase 2 to be approved. Will the Minister say what discussions he has had with Transport for London on the subject and the likelihood of the project proceeding? Does he, like the Mayor, believe that a £10 billion regeneration programme will be a spin-off of the proposal? Do the Government recognise that and will they therefore be able to factor it in when they are considering whether to allocate funds to the proposal?

The final piece of the Orbirail jigsaw is the electrification of the Gospel Oak to Barking line, which other hon. Members have mentioned. Has the Minister been informed of the likely cost? Does he have a view about whether the Government would be willing to underwrite that cost in one form or another?

On the totality of the proposals, if the three different funding proposals were approved, or if one, two or three of those proposals were approved individually, what plans do the Minister and Transport for London have to publicise the availability of the lines within London and beyond to ensure that commuters coming in to London from much further afield are aware of the alternative transport services and can therefore reduce the pressure on main stations?

London is the UK's major wealth generator. The nation's prosperity and the success of events such as the Olympics depend on a transport network that is comprehensive and flexible and that reduces congestion and pollution. The creation of an Orbirail system based on the three transport enhancements that I and other Members have mentioned fits the bill and will complete London's transport network. I hope, therefore, that the Minister will be positive and optimistic in his reply.

3.30 pm

Chris Grayling (Epsom and Ewell) (Con): It is a pleasure to see you in the Chair, Mr. Conway.

I congratulate the hon. Member for Battersea (Martin Linton) on his speech. He talked authoritatively about the transport issues that face both the area that he represents and other parts of London. He rightly talked about the falling numbers of people who live and work in the same borough and highlighted the fact that more and more people are travelling across London. He is right to say that if the right services are not in place, there is a risk that those people will seek to drive rather than use public transport, in so far as it is possible to drive given the levels of congestion in and around London. Clearly, it is in all our interests that people should use public transport wherever that is possible and practical.

It is our duty to do our best to ensure that our public transport system is capable of offering people as wide a range of options as possible given the limitations of our transport corridors. It is striking how much we depend on our heritage from Victorian times. Most of the corridors that we seek to reopen, redevelop and use to expand services date from that period, so we should be mighty glad to have that inheritance.

The orbital route is already coming about. Phase 1 of the East London line is going ahead—construction will begin shortly—and we have seen a change to service patterns on the other side of London. One can now take a train from Clapham Junction through to Stratford, as the hon. Member for Battersea will know, and the new stations at West Brompton and others on the way in west London are beginning to create an alternative service pattern that was not there 10 or 15 years ago. So, we have already started down the road that the hon. Member for Battersea rightly identified: providing people with different transport options around London.

It is clearly desirable that we should improve service patterns in London. Evidently, if we hope, as we should, to continue to revive and regenerate our cities and encourage people to live in them—we are a small island, and cannot continue to build in green, open spaces—we need better public transport provision. People simply cannot drive everywhere in our cities that they might want to. I very much agree with the hon. Gentleman about the desirability of enhanced services and of an Orbirail-type system in so far as it can make a difference in London. I say that with a few caveats, to which I shall return.

Some of the issues that the hon. Gentleman highlights could and should have been dealt with by some of the other projects that were supposed to happen this decade but have not. I listened carefully to Labour Members' comments about the different station options that would be available around an Orbirail network, and about how a number of communities who are not served by railway stations could be so served on such a route. That is all well and good and absolutely desirable; there is genuinely a market for radial journeys in London. However, I am less convinced that there is a market for people to come from the south coast, get off at Clapham Junction, go round an Orbirail network to Finsbury Park, for example, and get on a train to the north. I suspect that the real benefits will come for people in places such as Hackney by opening up links to other parts of London, such as south-east London, and by creating easier links to docklands and parts of north London. The network would open up places that are currently difficult to reach by public transport.

Of course, some of the pressures that the hon. Member for Battersea rightly highlighted in his speech could and should have been dealt with through projects such as the rather inaptly named Thameslink 2000, which was, according to the Government's 10-year plan, due to be open and functioning by 2000. Indeed, it is slightly bizarre that even as we speak, there are two empty tunnels beneath St. Pancras station. They were built to create an additional dimension to cross-London transport, but will remain unopened because the Government have not, as yet, gone ahead with the commitment that they made in their 10-year plan to open up, develop and make a reality of the Thameslink 2000 service.

I am glad that phase 1 of the East London line is going ahead, but hon. Members should remember that it is one small part of a much broader range of projects to ease the congestion, to which the hon. Gentleman referred, that have not come to fruition despite having been clearly set out as commitments for 2010 in the Government's 10-year plan.

Hon. Members rightly mentioned the significant costs of some of the proposed schemes. I suspect that that is one reason why, with the East London line, there has been a commitment only to phase 1, although the whole line was originally due to be completed within a few years. I can clearly see the potential benefits of the East London line coming to Clapham Junction; a link to Finsbury Park, as described by my hon. Friend the Member for Cities of London and Westminster (Mr. Field); and various other suggested enhancements to the route. However, there are, of course, huge costs.

[Chris Grayling]

It should be of significant concern to us all that the costs of such rail projects have risen so much in the past few years, and it should be a challenge for Governments and would-be Governments to address why they have risen so much. We have to bring those costs down so that we can spend the savings on projects such as phase 2 of the East London line and Thameslink 2000. We must get to grips with this issue: our railways are far too expensive, especially in recent times—much more so than they appear to be in other countries. We have not yet got to grips with that challenge, but we must do so.

There has been a lot of discussion about the work done by Transport for London and the Mayor of London, and comments were made about the professionalism of Transport for London. I think that TFL does some good work. The Mayor clearly has an absolute commitment to enhancing London's transport infrastructure, and he is not wrong to identify transport in London as a key issue for its future economic success.

A variety of transport challenges are building up: it is becoming increasingly difficult to get an easy and comfortable journey into central London, and there is a significant under-provision of transport to parts of central London such as Hackney. The Thames Gateway also causes me great concern. We cannot build a city of a million people on the Thames without proper infrastructure provision. Those issues will have to be addressed.

I have a few concerns regarding some Labour Members' remarks about the Orbirail project, and about some of the consequences of its creation. The first such issue that I shall address is that of cost and prudential borrowing. It is becoming commonplace for people, when they talk about transport in London—people in TFL, and Labour Members—to regard prudential borrowing as something easy that can just happen. The bottom line is that the Mayor intends to spend £10 billion, raised by prudential borrowing, on transport projects over the coming years. After that money has been spent, the debt has to be paid. It is not like a zero-percentage-rate credit card on which one can go out and spend up to the credit limit and it is all fine thank you very much. We have to pay the debt off in the end. The cost of servicing that £10 billion of prudential borrowing will be about £800 million a year; TFL's budget is about £4 billion a year, so the equivalent of £1 in every £5 will be spent on servicing the debt. We cannot simply look at the Mayor's prudential borrowing for transport infrastructure as being some great nirvana, because ultimately it has to be paid for, and I am not convinced that he has the money to pay the bills.

At the start of the debate, my hon. Friend the Member for Cities of London and Westminster pointed out that many people who come into London, and many people upon whom its economic prosperity depends, do not come from within the London geographic area. My constituency is inside the M25, but I am not a London MP. My constituents cannot vote for the Mayor of London and do not have a say in what Transport for London does.

I do not have profound concerns about the desirability of sensible stops being made by trains coming in from outside London to link in with an Orbirail-type development. I think that is sensible and would happen anyway. If a metro-type service is using an orbital route around central London, for someone who is running a suburban train in it will become natural and logical to stop at the stations where an interchange on to that service is possible. I do not think that that in its own right would be a problem. I think it would simply happen as a matter of course.

Mr. Mark Field: My hon. Friend and the hon. Member for Carshalton and Wallington (Tom Brake) would understand that precisely that sort of mentality existed with the tramlink between Croydon, Wimbledon and Beckenham. Precisely that linking up of a range of different residential areas was involved. It predated Transport for London, so, as my hon. Friend rightly points out, it is not just the existence of TFL that has allowed some joined-up thinking in transport matters in the capital.

Chris Grayling: My hon. Friend makes a valid point and gives a further good example of where such thinking has worked well in the past without politicians seeking to direct it.

As somebody who represents people who travel into London from outside the Mayor's catchment area, I do not wish to see the Mayor taking direct responsibility for changing the service patterns on trains that come from areas outside his control. It is simply not right to have the Mayor taking decisions about service patterns to fit a particular need in central London when those decisions materially affect commuters who live 30, 40 or 50 miles away. The Minister must be extremely careful before he hands over too many powers to the Mayor over the timetabling of the suburban rail network. Doing so may allow the Mayor to achieve his transport aspirations within London, but it will work to the detriment of those who come from outside London and will ultimately impact on the competitiveness of London and the south-east.

I have two other brief points to make. First, for all the Mayor's aspirations for the north London line, and for improving and continuing those services around an Orbirail route, we must be careful about the impact on freight. Labour Members are right to say that some of the freight coming through north London should be going elsewhere—another of the commitments in the Government's 10-year plan for transport that has not so far been kept. Of course it is crazy that goods coming in to Felixstowe and going to the midlands have to come through central London; that should not be happening. However, some freight comes into London in its own right, and if we fill the north London line with passenger services to the extent that those freight trains can no longer come into London, the consequence will be additional lorries on the roads. Ministers, TFL and Labour Members must be mindful of that when talking about the growth of services on the north London line.

The last point I want to make relates to a comment made by the hon. Member for Battersea, and is about the specification of services. He offered some hopes about the kind of service provision that the train companies would come up with. My message to him is that they have no freedom to do that now. The rail service in this country is specified in fine detail by the Minister and his colleagues. They have a team of civil servants who write train timetables and set out in minute detail which services can and cannot run. If the hon. Member for Battersea is looking for a specific level of service on the Orbirail route or in other areas that he represents, it is the Minister he needs to go to see, rather than the train companies.

We all agree that London's transport infrastructure is essential not only to the future economy of the city, but to that of the country. We should all work to enhance it in the right way for the future. I commend the hon. Member for Battersea on highlighting the issue of Orbirail, which is often a forgotten project, but potentially a very valuable one. I hope that the jigsaw puzzle pieces that the Government put together in their 10-year plan for transport, which would all come together to form an Orbirail route, will come to fruition by 2010, as promised by this Government.

3.44 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I congratulate my hon. Friend the Member for Battersea (Martin Linton) on securing this debate and on the passionate case he puts for an orbital rail route to serve his constituents.

One of the nice things that I have discovered about being a transport Minister is the opportunities it gives me to bring people together; I think of the good folk of Clapham junction being able to enjoy cultural interchange with the good folk of Dalston junction, and of bringing Haggerston and Hoxton on to the map. Another thing I have discovered is that when somebody comes up to me and mentions a small place, whether it be a small village far away from London or one of the villages of London, or when they ask me about the B205 or some small station that I have never heard of, the one thing I should never do is admit to never having heard of the place, because everybody thinks that transport Ministers keep an encyclopaedic knowledge of such places. I am not going to boast about whether I know of Haggerston and Hoxton or not; all I shall boast is that we will want them to be provided with a comprehensive rail and public transport service. The steps that the Government are taking, hand in hand with Transport for London, will deliver that.

I want to take issue with the hon. Member for Cities of London and Westminster (Mr. Field), who seemed to imply that we take our eye of the ball and leave London's transport to TFL. TFL, like local authorities outside London, passenger transport executives around the country and other bodies are the delivery mechanisms by which the Government deliver most of their transport schemes. TFL is just one such body. Most transport in this country is local. The Government must have some direct input into the Highways Agency trunk road network and the main rail services, but the vast majority of goods and people are moved on local roads and through local transport. We have a very close relationship with all those local authorities.

In London, we have the close relationship with TFL and the Mayor in order to deliver London's transport. We are certainly not taking our eye off the ball by relying on the local expertise of the Mayor and his team at TFL. The hon. Gentleman might feel that the voice of Members of Parliament is not heard because they are somehow divorced from TFL, but I would argue that it is the job of MPs to get engaged with their local transport delivery mechanism. Just as I try to engage with Kent county council on behalf of my constituents, he should be engaging with TFL.

Mr. Field: Does the Minister not accept that for strategic funding purposes, one of the difficulties that we have in London is that the Mayor has a precept? He is able to charge tax, part of which goes to transport, although other bits go to policing and are spent in other high-profile ways. That breaks that nexus and makes it more difficult for all of us; it is the devolution debate writ large. I speak for Conservatives, although perhaps not for Labour Members of Parliament with London constituencies, when I say that there has been a sense in which the Department for Transport has taken its eye off the ball as far as London transport is concerned.

Dr. Ladyman: I do not accept that at all. Every local authority has the power to raise funds through its council tax to supplement the money that the Government give it for its transport systems. I was listening to the comments made by my hon. Friends, particularly my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), who talked about the views of Members of Parliament who represent constituencies outside the M25. She believes that they have a negative view of the amount of money that is spent on London. It is true that many Members who represent constituencies outside the M25 think that all the money is spent on London and that more of it should be spent on their areas.

The Government clearly take the view that spending on London transport is a necessary part of our national transport infrastructure, and that we have a largely radial transport network in this country and it comes in through London. We think that there are benefits to spending on transport in London. If there is a tension between Members who represent constituencies outside London and those who represent London constituencies, I would like to encourage London Members to start engaging with Members who represent constituencies outside London and explaining to them the importance of travel investment in London. That would also give them the opportunity to explain the difficulties that they feel. The fact that both Members who represent London constituencies and Members who represent constituencies outside London think we are spending too much on the other area probably indicates that the Government are getting the balance about right.

I return to the matter of the London orbital railway. My hon. Friend the Member for Battersea and other hon. Friends made powerful cases about the levels of deprivation and unemployment in London, which many people do not realise. The Government certainly do, and we see benefit in providing a transport infrastructure in places for which regeneration is a huge opportunity. We see the benefit of the orbital network relieving congestion, and alongside orbital services we must recognise the need to maintain journeys on the

[Dr. Ladyman]

radial routes into London as journeys on those services are also vital to the economic well-being of London.

We must also recognise the importance of allowing freight traffic to serve London and pass through its rail network from, among other places, the channel ports. My hon. Friend made a powerful case but nearly lost me when he appeared to suggest that freight from the channel ports should not come through London. Perhaps he momentarily forgot that I represent a constituency that is a channel port and that many of my constituents are employed in putting freight on a line that comes through London.

Martin Linton: I am suggesting not that freight should not pass through London to reach its destination but that it might benefit the channel ports and London if there were a simpler route. There was at one time talk of a tunnel under the Thames at Shell Haven to allow freight from the channel to reach the rest of the country without having to use the congested and clogged railway lines of London.

Dr. Ladyman: My hon. Friend is right that freight currently has to pass through London. Maybe in the future we can find simpler and more straightforward ways to move freight around. The hon. Member for Epsom and Ewell (Chris Grayling) pointed out that dilemma, but the difference between him and the Government is that we are making investments that will allow us one day to deal with that problem, whereas I suspect he has no intention of even thinking about such investment.

On 14 February this year we announced the transfer of responsibility for the management of the rail services collectively known as the North London railway to Transport for London. That transfer will become effective from November 2007, from when TFL will be responsible for the franchising of passenger services that are currently operated by Silverlink. It will be responsible for the management of the franchise—or as I understand it intends to call it, the concession—and the financing of future enhancements. Those matters will need to be judged alongside other TFL priorities. It is important to pause and reflect on what that means: that a London organisation, answerable to London politicians and therefore to the people of London, will be deciding the priorities for London, rather than national politicians such as myself trying to second-guess them. That is an important step forward.

Of course Network Rail will remain the owner and operator of the track infrastructure, and the agreement that we have struck with Transport for London does not change the status of that ownership. As part of the handover process, TFL has named the four bidders that pre-qualify to tender for services and it will soon issue invitations to tender. Services under its control will include Gospel Oak to Barking, Stratford to Richmond and Euston to Watford Junction. TFL's aspiration is four trains an hour on each of the core routes and significantly greater frequencies on some sections, especially at peak times.

Although the scheme has not yet been committed to and is subject to agreement with Network Rail on the availability of paths on the route, TFL also plans significant station upgrades and a fleet of new trains. Two new stations on the West London line—Shepherd's Bush and Imperial Wharf—are planned to open in 2007, with four new stations being added as part of the northern East London line extension.

I say as an aside that my Parliamentary Private Secretary, my hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Slaughter), who is here with me today, has reminded me how useful it would be if there were an additional station on the West London line in his constituency, linked to Crossrail. I must tell him that we cannot always get what we want, but I know that he intends to campaign hard on his idea.

The 60 existing stations, including those south of New Cross Gate, will be cleaned, renovated and upgraded. All the changes are being made possible by the record level of investment in London's transport infrastructure facilitated by TFL's five-year investment programme and the funding settlement reached with the Government for the period 2004-05 to 2009-10. The first phase of the North London railway infrastructure enhancement is expected to be completed by early 2011, and it will be in good time for the Olympics. Used properly, the North London line has the potential to be a vital radial route around a wide arc of north London, shortening journey times for those travelling across London and relieving congestion at the central London terminus stations.

However, when considering such services we must also be aware of the important role that the North London line has for freight and the contractual rights that freight operators have on it and on other routes. The North London line is part of the main route between the major east coast ports, Felixstowe and Harwich, and the west midlands and north-west. The route has been cleared to allow larger containers to operate along it, with the aim of maintaining rail's modal share as the container market changes. Any changes to passenger services must be considered alongside freight requirements, and we know through work with TFL and Network Rail that the requirements of freight operators have been a major issue in identifying the infrastructure requirements to deliver enhanced services on the North London line. That probably answers the question posed by my hon. Friend the Member for Battersea about why the extension of the line around Highbury and Islington and Canonbury, although it is only a short stretch of line, is so much more expensive than the other parts of the enhancement. It is because of the need to provide extensive signalling and other work to meet the needs of freight traffic and those using the interchange between the two lines.

We have not ruled out the further devolution of franchising powers, and we will need to consider it on a case-by-case basis. We need to be mindful of the synergy between London's services and those further afield in any decisions that we make, and understand the impact on issues such as performance that may be the result of such decisions. The hon. Member for Epsom and Ewell pointed out the problems that would be caused if the Mayor were to make decisions on commuter trains stopping frequently in London and the impact that that would have on the hon.

Gentleman's constituents and mine. We would clearly need to engage with the Mayor on that matter, but it is sensible that he is allowed to make suggestions about the need for trains to stop at particular interchanges so that people can take an orbital route around London rather than having always to come right into the centre and travel out again. It is a matter of getting the balance right and listening to the Mayor's ideas rather than allowing him to dominate the decision-making process.

TFL has not taken over the franchising role for the north London railway, so we shall have to assess how that project develops in the coming years. Orbital services will be significantly enhanced in 2010 when the East London line extension phase 1 opens. That project will link the rail network north and south of the river to the east of the city and provide, for the first time in a number of years, regular and fast journeys between north, east and south London, with services between Dalston in the north and west Croydon and Crystal Palace in the south. Journey opportunities will be significantly enhanced by opportunities for connections with existing services. Preparatory infrastructure works to facilitate the extension have commenced and as part of them Shoreditch station recently closed.

The planned and committed investment in enhancing London's orbital rail network up to 2012 is in excess of £1 billion. The Department is aware of further aspirations for enhanced orbital services: the East London line extension phase 2, as mentioned by my hon. Friend the Member for Battersea, would provide further orbital journey opportunities, but it is not funded within TFL's current business plan and I am afraid that it is not expected to take place until after 2012. I am of course aware of the representations that my hon. Friend has made to my ministerial colleagues on that project and the importance that he places on it, and the Government will consider the funding of such enhancements as part of the next spending review, and in TFL's submission to the Department if it TFL proposes it.

Remploy

4 pm

Mrs. Linda Riordan (Halifax) (Lab/Co-op): I am delighted to have secured this debate, in which I, and many of my colleagues, can put my concerns directly to the Minister. My worry is that the current review of Remploy could take the shine off many of the good things that this Labour Government have done for the disabled, including the Disability Discrimination Act 2005. I am pleased that complete shutdown has been ruled out, at least for now, but any new five-year plan for the business must have the needs of employees at its centre. Work must be done with the trade unions that are close to the organisation and that can offer help and support.

There are many misconceptions about disabled people, among them the notions that, because their bodies do not work as normal people's do, they cannot cut it in the world of work, and that their work is unimportant. I am concerned that nearly 40 disabled people employed at the Lightowler road factory in my constituency, and many other disabled Remploy employees across the country, may lose their jobs as a result of the Government review of Remploy. Many of the workers are suffering from great stress because of the uncertainty about the future of their workplace, and there has been insufficient dialogue between management, workers and the unions. Remploy's management needs to consider how best to become more efficient. I am sure that it knows that its relationship with its employees and local communities is very special.

Mr. Jim McGovern (Dundee, West) (Lab): I am sure that my hon. Friend has had a chance to read at least part of the report, "Remploy—Review of Future Business Options", which was published only a couple of hours ago, and I am sure that she will be aware that the trade unions are calling for the management structure to be reorganised; they regard it as top-heavy. Page 39 of the report says that substantial savings could be made through a restructuring of the management. Does she agree that that would be a good place to start, in re-evaluating Remploy?

Mrs. Riordan: Yes, certainly I do. I have had meetings with the relevant trade unions this week, and I have managed to read much of the document published today.

We must do all that we can to protect and develop the relationship between Remploy and the communities. In a letter written to me in April, the chief executive of Remploy, Mr. Bob Warner, welcomed the review, because he believes that it is time for strategic change at Remploy, but many, including me, believe that major changes have been taking place. They include the introduction of the Interwork scheme.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend mentioned that the trade unions are quoted extensively in the report. Has she had an opportunity to look in detail at Remploy's scenario 3, which is its alternative business plan? I believe that a CD has been sent to all MPs, and it makes a powerful case for an alternative way ahead for Remploy that

[David Taylor]

does not involve factory closures on the scale originally envisaged. Not least, that could involve developments in the service sector similar to the arrangements used by Tesco in some of its midlands Express stores, where as many as 40 per cent. of staff are contracted through the Remploy service arm. Is not that a possibility?

Mrs. Riordan: That is a very realistic possibility, but it is early days for those schemes, although we must keep them under consideration. However, we must retain the sheltered work schemes, too.

It is the senior management's role to review and increase productivity wherever possible, but not to the extent that it undermines the whole ethos of Remploy, a business built on a history of caring and supporting its most valuable resources—its employees.

Mr. Mike Hancock (Portsmouth, South) (LD): The hon. Lady will certainly have my support and that of all Remploy employees in the Portsmouth factory. The Minister has said that she would give adequate time and funding to allow the changes to be considered properly, but does the hon. Lady agree that in some instances that could be a fairly lengthy period? I hope that the hon. Lady will agree that we must avoid a concertina time frame that would destroy any real sense of consultation.

Mrs. Riordan: I thank the hon. Gentleman, and I shall cover that point later. Any changes must be made in consultation with the employees and trade unions.

I will list the reasons that Mr. Warner gives for his welcome of the review. First, he rightly points out that Remploy has proven that Interwork, a specialist recruitment agency, can deliver jobs in ever greater numbers, and at a cost that provides excellent value for money for the taxpayer. However, money should not be the only issue. A recent survey carried out by my local paper revealed that an overwhelming majority supported retaining Remploy at the taxpayers' expense.

Ms Katy Clark (North Ayrshire and Arran) (Lab): Does my hon. Friend agree that one reason why there is a great deal of public support for initiatives such as those introduced by Remploy is that there is recognition among ordinary people of how difficult it is for people with disabilities to gain employment in other workplaces? All of us would like a wide range of employment options to be available to people with disabilities, but unfortunately that is not the case at the moment. Does my hon. Friend agree that that is why schemes such as those run by Remploy must be supported, and must continue for as long as they are necessary?

Mrs. Riordan: That is the ideal, and we will strive to achieve it, but it is a long-term plan, so we must retain sheltered work places.

Secondly, Mr. Warner argues that unemployed disabled people have said that they prefer to work in mainstream employment, rather than in a sheltered factory. Although that is true in many cases, and although that is an ideal that we must always strive for—the Interwork scheme is successful in that regard—it is not always possible for a disabled person to be employed in anything other than a sheltered environment, or indeed to find employers who will take them on. Not all factories and workplaces are disabled-accessible.

Mr. Warner goes on to say that many of Remploy's businesses are in declining sectors, where the loss per person is high and the work experience of the individual is unsatisfactory, either because of idle time or lack of opportunity to develop marketable skills. I understand that statement, and I understand the dilemma, but new factories and businesses can and should be started in partnership with Government at local, regional and national level. I would go as far as to say that the board of Remploy should agree on an expansion plan in areas that show development potential.

However, the management of Remploy could do even more. It is clear to many, especially those closest to the organisation, that there are management issues that need to be addressed. It would be possible to reorganise the 10 Remploy organisations into three, making them more efficient and streamlined. Further changes could be made; for example, why does Remploy sell wheelchairs to another organisation, but not sell direct? Remploy produces excellent quality products in its 83 factories, and it should do much more to promote its products, instead of aiming to change its core business. The products need to be better marketed and sold directly, if appropriate. Every effort should be made to work with the workers' trade unions and with management to develop the business, in order to avoid cuts and reductions that make the business less productive overall. Interwork has benefits, but many of its jobs are short term and in non-unionised work environments; that is not what I would expect for vulnerable staff who need as much protection as possible.

Mr. Warner argues that 80 per cent. of the grant that Remploy receives from the Government supports jobs in Remploy's own businesses, although more than 80 per cent. of the jobs that it creates are in mainstream employment, through Interwork. Some £90 million of the grant that it gets from the Department for Work and Pensions is used to support factories. That means that about one quarter of the DWP budget for the employment of disabled people is spent on just 5,000 people. That cannot be the right use of resources, Mr. Warner says.

Although that may be the case—I and others dispute the figures—the basic point is that not all employees are able to work in the mainstream, and they should not be thrown on to the scrapheap because of employment challenges. There must be a place for the sheltered environment, and taking that option away from communities throughout the country is not the way forward.

Unfortunately, all of Mr. Warner's arguments and statistics are better used as illumination rather than support. Many calculations and figures are supplied by the failing Audit Commission, and the fall within the "How long is a piece of string?" category. It is possible to alter the cost per head for Remploy from under £10,000 to more than £20,000 depending on what is included in or excluded from the per head calculation, such as sites, costs from third parties and income from other enterprises. Some people have even suggested a figure of more than £40,000. Surely, no one can take that seriously. I certainly do not. Workers should not suffer because of management's inability to run a business. The simple message that I want the debate to convey is that Remploy is a major company, producing real goods and services and providing real jobs. "Real jobs for real people", as the company likes to say.

The company was started in 1945 to provide work for war-disabled ex-servicemen and servicewomen. It is now the biggest employer of disabled people in the country, with 5,700 people in 83 factories at locations including just about every decent-sized town and city in Yorkshire. Remploy is in textiles, furniture, health care, electronics, mechanical assembly and other manufacturing sectors. It is run like any other business, on a commercial basis, competing for contracts on the open market. In Halifax, 30 people work in a purpose-built factory in Lightowler Road, where there is a long and proud tradition of bookbinding for universities, hospitals and libraries, including the British Library. Until recently, *Hansard* was bound in a Remploy factory. It is a tradition that I would like re-established.

Remploy in Halifax is due to celebrate 60 successful years next year. I hope that those celebrations go ahead and do not simply represent a further decline in Remploy's employment in Halifax. There is a difference between Remploy and other companies, which Remploy calls "the paradox". The firm exists to employ severely disabled people so that they can live independent, worthwhile and self-supporting lives. At the same time, Remploy has to operate efficiently and compete in the commercial world. It is a tall order.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): Does my hon. Friend accept the proviso that although Remploy requires Government support, there is also a role for local companies in buying Remploy products, such as textiles? In my constituency, companies such as Rolls Royce and Glasgow airport purchase uniforms for their employees, and I should like those companies, as well as the Government, to support Remploy.

Mrs. Riordan: I agree. The problem is marketing, and it is not done efficiently.

Many people employed in Remploy's purpose-built factories might not be able to find work anywhere else. What Remploy offers is critically important to them. It is perhaps the difference between a life of tedious struggle and a life worth living. For many working in the factories, the alternative is a life on benefits, which costs national and local taxpayers more than it does to keep them at work. I have seen no mention of that in the report published today.

Mr. Jim Devine (Livingston) (Lab): We should consider not only the financial but the emotional aspect. People have something to get up and get dressed for in the morning, they meet friends and colleagues and they establish a social network. That could also be lost.

Mrs. Riordan: I agree. As I said, it is the difference between a life of tedious struggle and a life worth living.

In the commerce-dominated world in which we live, those merely human considerations may end up taking second place. Until then, everything humanly possible should be done to keep Remploy alive and working.

4.15 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): I am delighted to respond to the debate and to agree with the final comments of my hon. Friend the Member for Halifax (Mrs. Riordan). Today's report and my statement are exactly about keeping Remploy alive and working. However, what sort of Remploy do we want to deliver for the significant funding that we put in?

I do not want to focus too much on funding, because we can get tied up with figures, but I shall return to it. We must consider serious issues of comparison. I want to draw my colleagues' attention to the comparison between Remploy's funding and the number of disabled people it supports. The issue is not about the funding that we put in. If substantial numbers of disabled people went through Remploy, I would be more than comfortable with any figures presented to me; but in reality, although tens of thousands of disabled people work throughout Britain in sheltered factories run by Remploy and local authority factory networks such as those in which my hon. Friend the Member for Dundee, West (Mr. McGovern) organised when he was a GMB officer, tens of thousands of disabled people also work in mainstream or supported employment.

One third of our total support for disabled employment programmes goes into Remploy to support 9,000 people. Colleagues should consider the report in-depth, and I am sorry to tell my hon. Friend the Member for Halifax that the figure of more than £48,000 has been authenticated: some jobs in Remploy's toiletries division are subsidised to the tune of £48,000 a year.

Mrs. Riordan: Will the Minister give way?

Mrs. McGuire: No; I want to make progress, because we will have an opportunity outside this forum tomorrow to discuss the figures in detail. If I have the chance, I shall return to my hon. Friend.

In a wider context, the debate offers us a valuable opportunity to consider the background to the Remploy review. It is important to state early on that no decisions have been made about Remploy's development. We have a consultant's report, commissioned by the Secretary of State and me, to provide us with independent advice. It is the advice neither of management nor trade unions; it is independent advice. Of course, the authors consulted management, the Remploy board and extensively with the trade unions, because that was part of their remit.

Mrs. Riordan: The figure £49,000 that is quoted includes a set-up cost for the business over one year.

Mrs. McGuire: PricewaterhouseCoopers presented us with the figure of £49,000, and it extracts some central management costs. It is at the top end of a range between £7,000 and £48,000. The majority of jobs in Remploy are supported to the tune of £23,000.

[Mrs. McGuire]

May I deal with the policy, however? It is important and it may address some of my hon. Friend's concerns.

Mr. Stephen Byers (North Tyneside) (Lab): My intervention is about the policy implications of the report and today's announcement. My hon. Friend the Minister knows that about 3,000 people in the north-east of England signed a petition opposing any factory closures, so they will welcome today's announcement. Will she confirm that additional funding is being made available this year to ensure no factory closures? Will she further confirm that we have five years to discuss the modernisation process, that there will be full consultation with the trade unions, and that Members will be fully informed, and that this period of change can be used to ensure that Remploy is fit for the 21st century and is able to deliver for those who need support, ensuring that they can compete in a different world?

Mrs. McGuire: I am delighted to agree with my right hon. Friend. To highlight the consultation process, I and my colleagues at the Department for Work and Pensions, both official and political, have tried to keep Members advised of the process.

Let me be frank: it is not easy for any of us. I am delighted to confirm that we are to fund a significant deficit, over and above the current grant of £111 million, to ensure that we can go to the end of the year and allow space for the trade unions, management and the board to consider how to develop Remploy so that it can support more disabled people. I emphasise again that it is not about cutting back on Remploy's budget; it is about increasing its budget this year and unlocking a modernisation fund for the next five years. It is certainly not about undermining the aspirations and ambitions of disabled people—either those currently employed by Remploy or those that I want Remploy to help over the next 60 years.

We must consider the matter in context. I shall reflect for a couple of minutes on what has been said of people's misconceptions about disabled people. I could not agree more. People have far too many misconceptions. We often look at disabled people for what they cannot do rather than what they can do.

One of the underpinning principles of our disability discrimination legislation is that it effectively forces society to consider what disabled people can do. Employers have to make reasonable adjustments if a disabled person can do the job in a mainstream situation. That is an enormous advance over 1945, and I am sure that it is welcomed by my hon. Friend the Member for Halifax. The disabled people that I meet applaud the Government for funding the move into employment through the supported network system, and the reasonable adjustments make mainstream employment a far easier option than it was 10 or 15 years ago.

Dr. Brian Iddon (Bolton, South-East) (Lab): I thank my hon. Friend for giving way. She knows that I have a special in the subject, in that one of my predecessors, George Tomlinson, launched Remploy in 1943 as a result of the Tomlinson report. Does my hon. Friend recognise disabled people's fear of unemployment, despite the fact that it is not as difficult to get jobs today as it was when 3 million people were unemployed?

Mrs. McGuire: I thank my hon. Friend for drawing the House's attention to George Tomlinson. Indeed, he has just written an erudite essay on him. One of the founding principles of Remploy was to establish a rehabilitation vehicle—a factory system—for disabled ex-servicemen coming back from the second world war. It was intended as a short-term move for rehabilitation and it was almost entirely ex-servicemen who used it at first; it allowed them to build up the skills and capacity necessary to move back into employment. I fully appreciate what my hon. Friend says about the distress and anguish that can be caused. That is why I hope that we can have a serious consideration of the report.

The report gave a set of scenarios. At one end they were unacceptable about the sustainability of Remploy Ltd, and at the other end they were unacceptable because of the closure of factory network.

Mr. McGovern *rose—*

Mr. Hancock *rose—*

Mrs. McGuire: I shall give way first to my hon. Friend and then to the hon. Gentleman.

Mr. McGovern: I have read the report, and it seems that scenario 4 suggests the removal of Remploy factories except for the textile side of the business. On page 59, it states that

> "All business units except for Textiles are disbanded within this scenario".

At the risk of sounding parochial, would my hon. Friend agree that that must mean that the long-term future of the Dundee factory should be maintained?

Mr. Hancock: Does the Minister agree that it does not help to keep mentioning things such as "£48,000 for one employee" as if the mess was the responsibility of the disabled person who was working there? It was the inadequate senior management structures at Remploy that caused the problems, and we should avoid that sort of statement.

Mrs. McGuire: I said that I did not want to focus on the figures, but I would have been abrogating my responsibility as a Minister if I had not told Members the range of subsidies for some the jobs. However, that is not the essential criterion.

I assure the House that what I have presented to the House is a five-year opportunity to modernise Remploy. I see among my hon. Friends, particular colleagues who have negotiated their way through various situations in the industrial world, in the private and the public sectors. We are giving a £500 million financial envelope, plus an additional amount to meet the shortfall on this year's grant—as we have done in previous years. There is also a modernisation fund. The trade unions, management, local communities and disabled people will be able to say what they want. Hon. Members must accept that there is a debate out there. Many disabled people want to work in the mainstream. As my hon. Friend the Member for Halifax said, and as we say in the statement, some disabled people want to work in a more supported or sheltered way.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I am the chair of the Friends of Remploy. I welcome the meeting that the Minister has called tomorrow morning, when we can explore such matters further. Could I press her about having an early meeting with the trade unions, as I know that they want to meet her?

Mrs. McGuire: I have had constant discussions with trade union representatives throughout the process. As late as last night, I had further discussions with them so that they were fully aware of the sort of direction that is being taken.

A statement was made earlier today, and an extensive independent report informed that statement. We have not taken any decisions. We are offering Remploy the opportunity to get more disabled people into work, because for many it is the best way out of poverty. I want to see that third of my disabled employment budget helping more disabled people.

I hope that we can engage positively on the modernisation of Remploy. As I said to my hon. Friend the Member for Halifax, I want to ensure not only that she will be able to attend Remploy in all its manifestations—Interwork, managed services and factories—on its 60th birthday, but that her successor a few years down the line will be invited to attend its 100th birthday.

I know that it is not technically correct to do so, but I commend my statement to the House and I thank hon. Members for the opportunity to discuss the matter today. I hope that we can continue our discussion.

Congestion (A14)

4.30 pm

Mr. Philip Hollobone (Kettering) (Con): I am grateful to Mr. Speaker for granting permission for this debate. I welcome the Minister and look forward to his response. I also welcome my hon. Friends the Members for Wellingborough (Mr. Bone), for Peterborough (Mr. Jackson), and for South Cambridgeshire (Mr. Lansley). I look forward to helpful interventions.

The A14 is the major road in my constituency. It runs east to west—or west to east, depending on one's direction of travel—and bisects Kettering. It runs from the junction of the M1 and the M6, through to the east coast. The bit of the A14 that goes rounds Kettering is known to local people as the A1-M1 link because that was its main purpose for the town when it was built. The A14 is of European significance and has both local and national importance.

Of particular concern to residents in Kettering is the fact that 70,000 vehicles a day go past Kettering between junctions 7 and 10. The road is now straining at the limit of its capacity. Something needs to be done urgently; otherwise the A14 and Kettering will grind to a halt. If any of my colleagues want, to make a helpful intervention at this point, it will be most welcome.

Mr. Peter Bone (Wellingborough) (Con): I congratulate my hon. Friend on securing this important debate. As he knows, my constituency abuts his. The A14 is the main emergency route for vehicles from Wellingborough to the hospital in Kettering, which is my local hospital. When the A14 gets congested, loss of life can occur, because ambulances cannot get through. I hope that he is aware of that.

Mr. Hollobone: I am most grateful to my hon. Friend for raising that important point. Congestion is the main problem on the A14, but occurs not only around Kettering but further along the road, into Cambridgeshire.

Mr. Andrew Lansley (South Cambridgeshire) (Con): Between Huntingdon and Cambridgeshire, in my constituency, there is already intense congestion. As it happens, this debate comes almost on the ninth anniversary of the first time that I, like my hon. Friend, called for the rebuilding of the A14 in my constituency. In theory, we are three years away from the start of works. I hope that the Minister will be able further to reiterate that that work, which is vital to my constituents, will start not more than three years hence. However, from my hon. Friend's points of view, rebuilding the A14 between Huntingdon and Cambridgeshire will further add to the attractiveness of the A14 corridor as a trans-European route, including through his constituency.

Mr. Hollobone: I am most grateful for that helpful intervention. Congestion has to occur on only one part of a major road for the problem to become a real nuisance for anyone who is driving along it. I know that my hon. Friend the Member for Peterborough (Mr. Jackson) also wants to add to this debate.

Mr. Stewart Jackson (Peterborough) (Con): I congratulate my hon. Friend on securing this debate and on introducing it in his usual eloquent style. Does he agree that the key issue for the A14 is that it links significant growth areas, including not only south Cambridgeshire and Stansted, but greater Peterborough and the south midlands growth corridor? As such, it is vital that the Government should consider the A14's improvement as part of the growth and infrastructure of those key areas.

Mr. Hollobone: My hon. Friend is spot on, and that is the main focus of the debate. We were promised joined-up government in 1997, but I am afraid that the Department for Transport needs to have a closer dialogue—and fairly soon—with both the Department for Communities and Local Government and the Highways Agency if its growth agenda in the part of the world that my hon. Friend and I represent is not to stall.

Another problem is that when the A14 is congested and does not work properly, the traffic spills over into Kettering, adding to the already gridlocked situation in the town and affecting other villages in my constituency, such as Welford, which becomes clogged up with lorry traffic.

The problem with the A14 is bad enough, but it will be added to by the huge number of houses that the Government are imposing on Kettering and the surrounding area. The figures are staggering: in the next 15 years the Government want 52,100 new houses to be built in north Northamptonshire. I asked a parliamentary question the other day about the Department for Transport's working assumption of the number of car journeys a year generated by each new house built. The answer comes to 1.29 car journeys a day. My maths is not great, but 52,100 new houses in north Northamptonshire will mean 468,900 extra car journeys a week—almost half a million more. Because the A14 is used as a bypass round Kettering, it simply will not be able to cope. That is why the Department for Transport, the Department for Communities and Local Government, and the Highways Agency need to come up with a proposal for an eastern bypass for Kettering, to relieve the town not only of the traffic that it already experiences, but of the huge growth in traffic that it will experience in the next 15 years.

The problem in Kettering is compounded by the old road network. My local newspaper, the *Evening Telegraph*, recently ran a series of stories about the traffic situation in the town, including the junction under the railway bridge, which is described as

> "the worst in the…county for…congestion".

That junction is usually bad, but when the A14 is clogged up, it is an absolute nightmare. I say in all frankness to the Government, as I have done on many occasions before, that their growth area agenda for Kettering will not work unless they come up with some sensible road infrastructure proposals for Kettering, Corby and Wellingborough.

I am not the only one to say that, because the Highways Agency says the same itself. It has already imposed a series of article 14 directions preventing development in Corby, not unrelated to the A14. I also have documentary evidence that says that the Highways Agency cannot approve planning applications for developments in and around Kettering unless a solution to the problem of the A14 is found. On the one hand, the Department for Communities and Local Government has imposed a statutory obligation on the local authorities to deliver more houses; and on the other hand, an executive agency, the Highways Agency, says that those houses will not be able to proceed unless the road network is sorted out.

The statutory duty is for 52,100 houses in the next 15 years. There are no improvements in line for the A14 round Kettering in the Government's transport plan until 2017 at the earliest. The situation is the same for other roads that feed into the A14 round Kettering, such as the A43, for which there are no improvements until 2021. Alarm bells are ringing in Kettering, because local people rightly fear that we are going to have the new houses first and that the road infrastructure—if it comes at all—will only follow them. That is completely unacceptable to my constituents.

One does not have to take my word for it. I have here documentation from the Milton Keynes and South Midlands Inter-Regional Board, chaired by Baroness Andrews, and its meeting on 22 June this year. Highlighted in red, as a top priority, is the lack of capacity on the A14. The document states that the Highways Agency is concerned

> "that there is insufficient A14 capacity to deliver more than 3,000 additional houses in the Corby/Kettering area without provision of restrictive junction access control measures in the short term."

So local residents in Kettering are not only worried about the provision of improvements to the A14 in the long term; we now face the threat of junction access control measures on to the A14. If they are introduced, I can tell the Minister that the traffic will back up along the A43, back up into Kettering and back up into Wellingborough and the area will simply grind to a halt. Worryingly, the document goes on to state that there is

> "No guarantee that value for money A14 capacity improvements can be identified, or that they can be afforded or delivered before 2016".

I am using this debate to draw the Government's attention to this very serious problem. The Minister and his colleagues need to get to grips with it, and fast.

Will the Minister confirm that the Highways Agency, North Northants Development Company and Northamptonshire county council are looking at a study into improving the A14, but that the conclusions of that study have been delayed? When is the report likely to be published? When is the Government's response to that report likely to appear?

I have also highlighted the fact that the problems with the A14 are not only of local but national concern because of the strategic importance of the route. I have been supported in that argument by my hon. Friends. Will the Minister confirm that the Department for Transport, together with the Highways Agency, will be providing appropriate funding for improvements to the A14 before 2017? Will he give specific advice on the nature of the various DFT funding schemes that would be available to provide those improvements? Also, will he be doing something to improve the north-south highway network through north Northamptonshire, including giving approval to the southern section of the Isham bypass in the constituency of my hon. Friend the Member for Wellingborough? Will he confirm that he will encourage the county council to bring forward plans for the dualling of the A43 Kettering to Northampton road?

Will the Minister consider extending the funding of the sustainable towns initiative to Corby, Kettering and Wellingborough to assist in the implementation of the Government's sustainable transport agenda as, under that scheme, the Department has already given £10 million to Worcester, Darlington and Peterborough to encourage people to use sustainable modes of transport?

In the short time available for this debate, I hope that I have stressed that this is an issue of great importance to local residents in Kettering and north Northamptonshire and, as my hon. Friends have highlighted, further afield. I would not want the Minister to leave Westminster Hall without being aware that the local residents in all the constituencies represented here today expect the Government to get to grips with the issue and sort out the A14 before the whole area becomes gridlocked.

4.45 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I congratulate the hon. Member for Kettering (Mr. Hollobone) on securing this debate and making his case. I wish I had his knack and could insist on my hon. Friends making only helpful interventions. Unfortunately, that is not allowed.

The hon. Gentleman and his colleagues make an important case, but I take issue on the implication that somehow the extra housing growth in Northamptonshire is something being done to Northamptonshire by a Machiavellian Government. It is not the Government who are going to buy these houses; it is the people who do so. They decide where they want to live. The businesses of this country decide where they wish to invest and where they feel it is necessary to create jobs. It is necessary for the Government to respond to those forces. That is why it is necessary, as the hon. Gentleman says, to provide about another 50,000 houses in Northamptonshire. I understand that that creates problems and that he and some of his constituents may not like it, but it is the reality we have to deal with, and whoever is in government will have to deal with that reality.

The hon. Gentleman is, however, correct when he says that, having recognised that we will have to provide that housing growth, we have to ensure that it is sustainable and that appropriate infrastructure goes with it. It is not necessary to provide that infrastructure in advance of the growth; it is necessary to ensure that the infrastructure goes with the growth. That is what the Government are attempting to do.

The importance of transport in accommodating growth is beyond doubt. I certainly do not dispute that. Over the past five years, about £70 million has been invested in Northamptonshire through the local transport plan. We need to ensure that that money is effectively invested in things that have appropriate priority to local people. That is why the east midlands, along with regional bodies, local authorities and other key stakeholders, were brought together and asked to provide us with advice on how they wanted to see the local funding allocation spent in the area.

We received that advice at the end of January. On 6 July, we announced that, broadly, we want to stick to the advice that we have been given by local people. These were local people and local organisations deciding the local priorities for spending local transport funding. I shall deal with the A14. It is a matter for the Highways Agency and is part of the national trunk road network—I can confirm that the Highways Agency would fund the development of the A14—but now I am talking about local schemes that are now in the indicative programme. In Northamptonshire, they include the Isham bypass, the Corby link road and the Isham-to-Wellingborough improvement scheme. The first two are already included in our approved programme of major schemes, while the Isham-to-Wellingborough improvement scheme is being considered by the Department for programme entry.

In addition, since April this year, we have approved schemes worth more than £27 million under the community infrastructure fund—they include the Corby northern orbital road and the Wilby Way roundabout improvement. We are also considering a bid for funding the Kettering and Wellingborough intelligent transport system, which would provide advanced and responsive traffic management facilities within and around those towns.

That is what we are doing with local transport schemes, but the A14 is a core national road which, as the hon. Member for Kettering says, links the midlands with the east coast ports. It is also part of the trans-European network, and those functions must not be compromised by developments that generate local traffic. We are very much aware of his concerns and those of others about capacity on the A14, especially in the Kettering area where there is clearly conflict between local and through traffic, which often causes considerable congestion. As he says, that is seen as a major constraint on the potential for growth. As the hon. Gentleman has also said, the Milton Keynes sub-regional strategy proposes 52,100 new homes in north Northamptonshire, with the county overall set to grow by 99,500 in the 20 years up to 2021. The sub-regional strategy also indicates that the number of new jobs should grow in north Northamptonshire by 42,800, which is a significant level of growth.

With all this in mind, this Government have placed a high priority on investigating potential improvements to the section of the A14 that the hon. Gentleman referred to. In July 2003, the Secretary of State responded to the recommendations of the "London to South Midlands Multi Modal Study" to widen the A14 by tasking the Highways Agency to undertake further work on the A14 Kettering bypass section of the route, with the eventual aim of completing the improvement by 2017.

In response, the Highways Agency commissioned an options study on the Kettering bypass section of the A14 and various improvement alternatives are being assessed. The agency will present its findings to the Department when the study is complete and that will have to take into account the housing and employment growth outlined in the Milton Keynes and south midlands sub-regional strategy.

[Dr. Stephen Ladyman]

The hon. Gentleman asked about the delay to that report and certain alternative proposals have been put to the Highways Agency, who would not be doing its job if it did not take account of them. The proposals have been put to the Highways Agency by the local authority and local developers who see a way of providing a solution to the problems identified, perhaps on a shorter timescale than we can deliver the widened A14. At the very least, if we did not consider those options carefully now, it would cause a delay to the public inquiry process because people would immediately ask why we had not considered them. It is important we take a bit more time properly to study the options and we may want to introduce those that provide a more cost-effective solution.

I suggest to the hon. Gentleman and to local developers that it is in their interest that we do this study properly and take account of the other proposals that have been put to us. Following that, if we have alternatives that can be pursued or we need to go ahead with the widening of the A14, we can do so.

No final decisions have been taken on the timing of any improvements, but the statutory process and study work will have to be factored into the delivery timescale. Any major improvement works that might be introduced have to be the right ones and have the support of local stakeholders.

The management of the A14 is the responsibility of the Highways Agency. The Agency's general approach to development and the possible impact on trunk roads is set out in circular 4/2001, which I can provide or the hon. Gentleman can obtain from the Highways Agency website. I have met with agency colleagues and I know that they are endeavouring to be as helpful as possible in the consideration of development proposals. Article 14s are used occasionally when the Highways Agency does not have sufficient information available in order to determine a planning application within the given statutory period. The agency can use an Article 14 to put a hold on the application so more information can be provided and a decision can then be made. That is why article 14s are used, but I am loth to see them used more often than is necessary.

Given that I share the objectives of Government colleagues to see growth in this area facilitated, I entirely share the hon. Gentleman's desire to see it done in such a way that infrastructure is provided hand in hand with the development of that growth. I will be insisting that the Highways Agency work with local stakeholders as expeditiously as possible to move this forward.

Mr. Bone: I am grateful for the explanation given by the Minister. Would it not be a good idea to move thousands and thousands of cars each year away from the A14 by building a hospital in Wellingborough so that people do not have to travel to Kettering? There are hospitals in Northampton, Kettering and Corby, but not in Wellingborough. Joined-up government thinking would surely conclude that a hospital in Wellingborough was a good idea.

Dr. Ladyman: The primary objective of the hospital building programme has to be to make people feel better and to ensure health specialisms are concentrated in the right way, at the right level and in the right areas. Sometimes objectives to provide hospitals of a particular size that are able to deliver the best possible health outcomes to a local population do not entirely align with our wishes in the Department for Transport for a road network. We have to accommodate that tension.

I do not know what the health concerns of the hon. Gentleman's constituency are—although 12 months ago when I was Health Minister I probably would have—so I cannot comment on that. But I can tell him that these are difficult and complex judgements that have to be made. I can understand why he might be campaigning for a new hospital by arguing that that would take some cars off the road, but I suspect that health professionals are probably campaigning for a particular configuration of hospitals that they think will deliver the best health outcomes. That is probably where the priority has to end up. I do not want to get into a debate about hospital services in Wellingborough this afternoon.

Mr. Stewart Jackson: I am conscious that the Minister does not see the Milton Keynes and south midlands growth corridor in isolation given that adjacent to it is the Greater Peterborough growth corridor where we will have 21,000 new houses. That will be almost 80,000 new houses over the next 10 years so it is not simply about Northamptonshire.

4.56 pm

Sitting suspended for a Division in the House.

5.11 pm

On resuming—

Dr. Ladyman: I want quickly to clear up a couple of points. The hon. Member for South Cambridgeshire (Mr. Lansley) asked about the scheme in the Ellington to Fen Ditton area, further along the A14. Our plans for that road have not changed. However, there are outstanding legal matters and an appeal to be considered. The appeal will be heard in October; obviously, we shall have to take due account of whatever comes from it. When I know more, I shall write to the hon. Gentleman and confirm.

The hon. Member for Kettering asked about other issues. On alternative sources of funding, the A14 is part of the core national trunk road network, so funding for any improvement to it would come from the Highways Agency budget. Potential sources of funding for other schemes in the area are growth area funding, the local transport plan that I have talked about and the transport innovation fund.

The hon. Gentleman also asked about whether the sustainable towns initiative could be extended to Corby, Kettering and Wellingborough. We do not intend to extend the initiative beyond the three towns on which it is currently focused. These days, we expect all local authorities to take account of sustainable development, and I do not think that the hon. Gentleman is likely to be able to exploit that opportunity.

In conclusion, I emphasise again that I entirely understand the need to ensure that infrastructural development and congestion issues are dealt with hand in hand with congestion growth. I am talking to those colleagues, from across the Government, who are responsible for the growth of housing and other developments in the area. We take account of all such issues and are considering alternative solutions. That said, we are well aware of the congestion on the A14 and we intend to tackle it. I hope that the hon. Gentleman is suitably reassured, although I suspect that we shall return to this debate at some time in the future.

Question put and agreed to.

Adjourned accordingly at thirteen minutes past Five o'clock.

Westminster Hall

Thursday 20 July 2006

[MR. MARTIN CATON *in the Chair*]

Boundaries, Voting and Representation (Scotland)

[Relevant documents: Third Report from the Scottish Affairs Committee, Session 2005-06, HC 924, Putting Citizens First: the Report from the Commission on Boundary Differences and Voting Systems.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Huw Irranca-Davies.]*

2.30 pm

Mr. Mohammad Sarwar (Glasgow, Central) (Lab): I am delighted that today's debate, which has such importance for the people of Scotland, is being chaired by an hon. Member from another proud Celtic nation.

I thank the Minister for making Government time available for the House to debate this important matter. The Select Committee on Scottish Affairs had asked for a 90-minute Scottish Grand Committee debate on the report from the Arbuthnott commission, so we were pleased to be offered a three-hour debate instead.

The Commission on Boundary Differences and Voting Systems, also known as the Arbuthnott commission, was established by the Secretary of State in May 2004 to consider the consequences of having four separate voting systems for elections in Scotland and having different constituency boundaries for elections to Westminster and to Holyrood. The commission was established in the wake of the Scottish Affairs Committee report entitled "Coincidence of Parliamentary Constituency Boundaries in Scotland and the Consequences of Change", which followed the Government's decision to retain the number of Members of the Scottish Parliament at 129 and the provisional proposals of the Boundary Commission for Scotland to reduce the number of Scottish constituencies represented at Westminster from 72 to 59.

After an 18-month inquiry, the commission published its report, "Putting Citizens First: Boundaries, Voting and Representation in Scotland", on 19 January 2006. The commission's main recommendations included one that the current mixed member system for electing the Scottish Parliament should be retained, but with open lists to increase voter choice.

Mr. Jim Devine (Livingston) (Lab): Does my hon. Friend agree that there is a democratic deficit when people are allowed to stand not only in the list but in the constituency? Someone who stands in the constituency and loses can then become a winner, and in some minority parties losers could become not only winners, but leaders.

Mr. Sarwar: I thank my hon. Friend for bringing an important point to my attention. I will address it later in my speech.

The commission also recommended that constituency and regional boundaries for the Scottish Parliament should be based on local authority areas rather than Westminster constituencies, with the regions revised to better reflect natural local communities; that candidates for election to the Scottish Parliament should not be prohibited from standing in a constituency and on the regional list; that clearer and more positive roles should be developed for constituency and regional MSPs; that the single transferable vote system should be introduced for European parliamentary elections; and that Scottish Parliament and local government elections should be held on different days.

In February this year, the Scottish Affairs Committee took evidence from Sir John Arbuthnott, the chairman of the commission, and from one of its members, Dr. Nicola McEwen. During the evidence session, members of the Committee raised several matters of concern about the commission's report, including coterminosity of Westminster and Holyrood constituency boundaries; the remit of the commission and honouring the devolution settlement; the voting system for elections to the Scottish Parliament; the boundaries and size of Holyrood constituencies; Scottish local government elections; wasted votes; the multiplicity of MSPs representing Scottish Parliament constituencies; voter confusion; dual candidacy for elections to the Scottish Parliament; and elections to the European Parliament.

Those are the facts. I am sure that if they catch your eye, Mr. Caton, members of the Committee will express their own concerns, but I would now like to make a few observations on my own account, rather than as the Chairman of the Select Committee. I am greatly concerned that the Arbuthnott commission has simply not resolved three fundamental issues. The first is the complicated and confusing system that we have in Scotland, with four different voting systems for the four different types of elections. We have STV for local government elections; proportional representation for elections to the European Parliament; a mixture of first past the post and a list system for elections to the Scottish Parliament; and first past the post for elections to the House of Commons.

Mr. Devine: Does my hon. Friend agree that first past the post is the best system?

Mr. Sarwar: I have never been keen on first past the post and prefer proportional representation, but the mess that I witnessed during elections to the Scottish Parliament with list membership means that I now have serious reservations about proportional representation in our country.

All hon. Members will share my concern about the falling number of people who bother to vote in elections. Part of that reluctance to vote must be due to the confusion caused by having different systems for different elections, and the fact that, for elections to the Scottish Parliament, electors have two votes: for a constituency MSP and for a list MSP. The Scottish Parliament has introduced the single transferable vote for local government elections, and it clearly likes that system, so why does it not ask Westminster to introduce STV for Holyrood elections? If it is good enough for local government, surely it is good enough

[Mr. Sarwar]

for the Scottish Parliament. Has the Minister received a request from the Scottish Executive to introduce legislation so that STV will be used in future elections to the Scottish Parliament?

Ms Katy Clark (North Ayrshire and Arran) (Lab): My question is about the change to STV in local government elections. Does my hon. Friend share my concern about local representation on councils? The break between voters and councillors is something many of us are worried about. At the moment it is clear who people can go to and who is responsible for ensuring that council services are delivered in their area.

Mr. Sarwar: My hon. Friend makes an important point. A constituency link with the elector is vital. However, my concern is that, because we have elections on the same day for both local government and the Scottish Parliament, if the Scottish Executive think that it is a good idea to have STV in local government, people will ask why it is not a good idea for the Scottish Parliament. Introducing STV in the Scottish Parliament and in local government would at least reduce confusion for voters when they go to the polling station.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): Is it not true that most Labour Members of the Scottish Parliament are, for the reasons set out by the hon. Member for Livingston (Mr. Devine), totally opposed to the introduction of STV? Is it not the case that STV is being forced on the people of Scotland by the Liberal Democrats?

Mr. Sarwar: I do not speak on behalf of Labour Members of the Scottish Parliament. I believe and agree that there is a coalition in Scotland with the Liberal Democrats, but I assure the hon. Gentleman that the Labour members and activists who I have spoken to in my wards and my constituency are totally opposed to the introduction of STV in local government elections. If elections to Holyrood and for local government are to be held on the same day, surely it would make perfect sense, in order to reduce the voter confusion that I mentioned, for the same voting system to be used for both types of election.

Another matter that the commission does not address is the coterminosity of constituency boundaries for elections to the Parliaments in Westminster and Holyrood. The present system has led to the current situation, whereby there are 11 MSPs interfering in my constituency of Glasgow, Central. Four of them were elected by first past the post, and seven from the list. That situation is unacceptable and must change.

Ms Katy Clark: Are my hon. Friend's constituents similar to mine in that when they think about which MSP they should go to with their problems, they think of their directly elected MSP? One worry about the move towards single transferable votes for councillors is that it will not be clear to whom constituents should go. Perhaps, rather than the Scottish Parliament moving to a system with more STV, we should review how councils are elected.

Mr. Sarwar: There is a great deal of confusion among electors. Indeed, some do not even know who their constituency MSP is because the boundaries are not coterminous with the Westminster constituencies. The additional list Members are adding to the confusion.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): Does my hon. Friend agree that although it is undoubtedly complex that 11 MSPs cover his parliamentary constituency, that would be manageable if each of them were responsible for a finite geographical area? Does he agree that the problem is not with the first-class MSPs who have been elected to particular constituencies, but with the second-class MSPs who were elected on the assisted places scheme who then pretend to represent the city as a whole, and cause confusion?

Mr. Sarwar: I entirely agree with my hon. Friend. The unfortunate reality is that the Arbuthnott commission has not dealt seriously with the two classes of MSPs, and has not come up with clear roles for list and constituency MSPs. That is causing the problem.

Mr. Devine: The original vision within the Scottish Constitutional Convention was that list MSPs would have an overview of their areas—Lothian, Glasgow or wherever—but that clearly has not happened. Does my hon. Friend agree that a way around the problem might be that instead of people having two votes—the first being for the party of their choice and the second being for another party—perhaps they should have one vote only?

Mr. Sarwar: I think that my hon. Friend has seen my speech. He reminds me of everything that I want to address later. I shall certainly cover that very important point later.

Mr. Davidson: Does my hon. Friend accept my point about first-class and second-class MSPs? Is it not noticeable that many second-class MSPs stand in the first-past-the-post elections and try to become first-class MSPs, but that none go in the other direction? No first-class MSPs seek to become second-class MSPs?

Mr. Sarwar: I shall address that point later.

Mr. Charles Walker (Broxbourne) (Con): What is going on is clearly an absolute outrage. Who is responsible for creating this dog's breakfast in the first place? Who should be held accountable for what is going on in your seat in Glasgow and other parts of Scotland?

Mr. Sarwar: The previous Secretary of State for Scotland was fully aware of all those problems. That is why he established the Arbuthnott commission and instructed it to consider the issues and report back. The issue that we are discussing is something that the commission did not address.

David Mundell: Will you address in your remarks the interesting concept that has been brought up about first and second—

Mr. Martin Caton (in the Chair): Order. Hon. Members' use of "you" when they should be speaking through the Chair is creeping into the debate. Will everybody remember not to do that?

David Mundell: I am sorry, Mr. Caton. My old Scottish Parliament habits are creeping back. I apologise profusely.

Will the hon. Gentleman address the interesting concept that has been raised of first and second-class MSPs in the Scottish Parliament? I am particularly interested to hear about that distinction because he will know that we were recently told, on the Floor of the House, that Westminster would not be workable if we had first and second-class MPs, so how is Scottish Parliament sustainable with first and second-class MSPs?

Mr. Sarwar: I am happy to answer the hon. Gentleman, who is an important member of my Committee. I used to value the Conservatives in my Committee at £1 million, but now, with inflation, I think it has gone up to £1.4 million.

The British Parliament is the Parliament of the United Kingdom. We can discuss many issues, but we cannot afford to have two classes of MPs in the British Parliament. My view is very clear. The nationalists at least know what they want to do—they want to break up the union and to divorce themselves from Britain—but the Conservatives are helping the Scottish nationalists' cause by saying that we should have two classes of MPs. Conservative Members on both the Front and Back Benches should know that we should have one class of MP only in British Parliament.

David Mundell: Whatever the hon. Gentleman says on that, why is he perpetrating the view that there are two classes of MSPs?

Mr. Sarwar: I do not think that anyone is saying that the people on the list should not participate in or vote on legislative issues in Scotland. Nobody in the Chamber thinks or advocates that.

Pete Wishart (Perth and North Perthshire) (SNP): I do not know why Labour Members will not recognise or acknowledge that there are two classes of Members of Parliament in this House. There are Members like ourselves who represent Scottish constituencies, and Members such as the hon. Member for Broxbourne (Mr. Walker) who have a full say on all the issues, such as criminal justice, health and education, in their constituencies. We do not have a full say on those matters in our constituencies, so we are clearly of a different class from the hon. Member for Broxbourne. The absurd thing about that is that although I cannot have a say about those things in relation to my constituency, I can in relation to the constituency of the hon. Member for Broxbourne. That is the absurdity; that is the two classes of MP in this House.

Mr. Sarwar: That issue does not concern only Scotland and England; we face that issue in relation to Northern Ireland, Wales and Greater London. If the hon. Gentleman feels in his heart that we should not break up the Union, he will think differently and will not appreciate the Conservative point of view that there should be two classes of MP in the Westminster Parliament.

Ms Katy Clark: Does my hon. Friend agree that if English people wish to opt for some form of English regional government, that is a matter for them? The purpose of this place is to be a Parliament for all the nations of these islands. That is essential to what we are debating today.

Mr. Sarwar: Yes, if the people in England want devolution for the regions and want to bring power closer to the people, nobody is preventing them from taking that option. In fact, if Conservative Members of Parliament want to opt for devolution and want people to be in charge of their own destinies in the regions, we would be happy to support them.

As you will know better than I do, Mr. Caton, the Government of Wales Bill seeks to rectify a similar situation concerning elections to the National Assembly for Wales. The Bill includes clauses to prohibit prospective Welsh Assembly Members standing in individual constituencies and on a regional list. I am pleased for the people of Wales that such sensible legislation has been introduced—well done. I have no hesitation in following a good example, wherever it comes from, be it Wales, England or any other part of the United Kingdom. I hope that the Bill becomes law shortly in Wales. However, if dual candidacy is not considered acceptable for the people of Wales, why is it considered perfectly acceptable for the people of Scotland? I hope that the Minister will be able to answer me on this issue.

Jo Swinson (East Dunbartonshire) (LD): Does the hon. Gentleman not accept that the whole issue of dual candidacy would cease to be relevant if the Arbuthnott commission had recommended, as it should have done, STV for Holyrood elections? Everybody would be elected on the same basis, but the system would still be proportional and would therefore fairly represent the views of the people of Scotland.

Mr. Sarwar: If STV is to be introduced—it is involved in the coming elections—it will be a positive step forward: we would at least have the same class of MSPs elected the same way.

Ms Clark: I am slightly concerned by my hon. Friend's suggestion that the whole of the Scottish Parliament should be elected by single transferable vote. We already know that the list MSPs that we have tend to focus on a small patch of the areas that they represent. They tend to focus on part of the huge area for which they are elected. They choose such areas, and it is not a matter for which they have any responsibility. Large parts of Scotland may find that they effectively do not have MSPs who will truly engage with the issues of those communities if everything were to be elected by STV.

Mr. Sarwar: The Arbuthnott commission has addressed the issue and recognised that there is a problem, but, unfortunately, it did not come up with any solution. That is the problem. I am not a great advocate of STV or any other system; I am saying that

[Mr. Sarwar]

it will be confusing for our electorate in our constituencies if we are to have four different systems to elect four different bodies. That is my prime concern.

I have some suggestions to make if everybody is happy for STV to be involved. My suggestion for rectifying the interference by MSPs is simple, but would be effective. Two Westminster constituencies could be joined together to make one Holyrood constituency. The new units would elect four MSPs by STV, which would mean a total of 118 MSPs, and I would contend that that is a sufficient number. I am sure that some hon. Members will say that it is more than enough.

Mr. Davidson: May I suggest to my hon. Friend and neighbour that he is making an assumption about my view? I have reservations about reducing the existing number of MSPs; my anxiety is maintaining the constituency link. While I can see the point of joining two constituencies together and having such areas elect four MSPs, would it not be even better if we simply had two Holyrood MSPs for each Westminster constituency, to be elected on the basis of one man and one woman from each constituency, thereby giving a gender balance and reducing the number of MSPs?

Mr. Sarwar: An even better proposal came from my hon. Friend the Member for Central Ayrshire (Mr. Donohoe), who is unfortunately not present. He suggested that if there must be a proportionality element, we could elect 118 by first past the post and 11 using proportionality.

If Holyrood insisted that it could not do with fewer than the current 129 MSPs, my solution would be that the large rural constituencies could elect five MSPs to represent two Westminster constituencies. In paragraph 4.34, the commission set out comprehensively the benefits of electing the Scottish Parliament by STV, citing, for example, that it would remove the problem of two classes of MSP, which has been mentioned many times during this debate, and that it would remove confusion over the use of a "second" vote. Unfortunately, the commission seemed to lose its nerve, and paragraph 4.35 raises a number of what it describes as

> "weaknesses when compared to a mixed member system".

One weakness mentioned was that it complicates the act of voting. What is more complicated than having four voting systems for four types of elections?

I believe the commission missed a great opportunity, by not recommending the obvious solution to voter confusion. If we retain the current situation, the Scottish Labour party has made the sensible suggestion that voters should cast only one vote—my hon. Friend the Member for Livingston (Mr. Devine) made a good point about that. The vote should be assumed to be also a vote for their preferred party. Paragraph 4.40 of the commission's report quotes from the Scottish Labour party's submission, which stated:

> "There is potential to remove the need for a second vote and allocate the List MSPs on the basis of the constituency vote. This is a straight-forward measure that would simplify the voting system for those participating whilst still ensuring that the electoral system maintains significant proportionality."

David Mundell: Is the hon. Gentleman aware that such a proposal was contained in the Scottish Conservative and Unionist party response to the Arbuthnott commission? On this occasion, we are in agreement.

Mr. Sarwar: I am well aware that the Conservative party made a similar proposal. When we make proposals on which there is consensus with the Conservatives, I become a bit doubtful about whether we are doing the right thing. That is why I did not mention this proposal in my submission.

By reducing voter confusion, I believe we could maximise voter participation. My third fundamental issue is that there are two classes of MSPs, as many colleagues have mentioned: the constituency MSP and the list MSP. In paragraphs 4.23 and 4.24, the commission rightly highlights the less than clear role of the list MSP, and that constituency MSPs have accused list MSPs of cherry-picking individual cases, about which my hon. Friend the Member for North Ayrshire and Arran (Ms Clark) made an eloquent point. The commission does not actually address the issue. The report is therefore disappointing, as it raises the problem, but does not seek to offer a solution.

The final point I would make is about the e-counting of votes. I hope that the Minister will use today's debate as the opportunity to bring the House up to date on what is happening in this area. In particular, I would like to know who will take responsibility if e-voting does not work as well as intended. Will it be the Scotland Office or the Scottish Executive?

I am sure many other hon. Members wish to speak in this debate, so I will now draw my remarks to a conclusion. As I said earlier, this is an important debate and I look forward to hearing what those on the Front Benches and other hon. Members have to say.

3.00 pm

Pete Wishart (Perth and North Perthshire) (SNP): It is a pleasure to follow the hon. Member for Glasgow, Central (Mr. Sarwar) who said some sterling things about STV. I hope to convince him to continue down that lonely path on the Labour Back Benches because I think he is on to something that could be fruitful.

I congratulate Sir John Arbuthnott and his commission on a good and measured report. It makes a number of useful and positive recommendations that I believe will help the cause of Scottish democracy. It also deals with a few myths that were beginning to emerge, particularly among Labour Members. It debunked those myths constructively and positively. Sir John was given the massive task of looking at boundaries, voting and representation in Scotland and trying to put the voter first. This is a good report and Sir John went about his business in the diligent and professional way that we expected from one of the most respected academics. It is a testament to him that we are still debating his report a few months later and kicking around some of the issues to ensure that we try to improve on some of his work.

The report is good, but we do not agree with everything in it and there are some issues that I wish he had included, particularly STV, which the hon. Member for Glasgow, Central mentioned, and some that I wish he had emphasised a little more. It is worth looking at the background and the context.

Arbuthnott was asked to produce his report because of demand by hon. Members in this House, particularly Labour Members. I clearly remember them coming to the House week in, week out, saying that something must be done and the matter must be looked at. They came up with stories of constituents who were perplexed, confused and anxious about the different voting systems, coterminosity and so on, and demanded that the then Secretary of State for Scotland, the right hon. Member for Edinburgh, South-West (Mr. Darling), do something about it. To his credit, he acted on those concerns and asked Sir John Arbuthnott to set up his commission. It was important that the commission was to be consensual, cross-party and independent, and that was the case because all the parties were represented and all Scottish interests were reflected.

The commission worked diligently and I was particularly impressed by the way in which it sought the advice and views of focus groups and consulted all political parties. I think there were three meetings at Dover house to discuss those issues, and the report fairly and accurately represents the evidence.

Mr. Davidson: The hon. Gentleman mentioned focus groups. Does he accept that the clearest finding from the focus groups was that the electorate preferred the first-past-the-post system because they find it easy, straightforward and preferable to any other complicated system?

Pete Wishart: That is one issue that came from the focus groups, although they also recognised in the same breath that STV would solve some of the coterminosity issues and the problem of different sorts of MSPs. When it came to the focus groups, there was a mixed bag for all of us. Focus groups were a good idea and Arbuthnott produced a good report. Although there are some recommendations that I do not agree with, the report was independent, cross-party and consensual, and the House asked for it. It was demanded by Labour Members. We accept Arbuthnott's proposals because he did his job and he did it well.

We could compare Arbuthnott's consensual approach with the Government of Wales Bill—we discussed it just the other evening—in which the Labour party imposed its will and its view on the unsuspecting Welsh public. The approach was entirely different. The Labour party could do that in Scotland, but if they tinker with democracy, change the voting arrangements and try to improve democracy, it must be with consensus and cross-party support. If a political party imposes its view on a democracy, there is a strong suspicion that it is doing so for its own, narrow, party political interests. That came across clearly in the Government of Wales Bill the other evening.

Mr. Sarwar: Anyone can accuse the Labour party of party politics. If we had a first-past-the-post system in Scotland the Scottish Nationalists would have only five MSPs. Is that right?

Pete Wishart: Following the last general election, that is right. If we secured around 20 per cent. of the vote we would have five or six Members of the Scottish Parliament, but on the basis of votes cast we are entitled to many more than that. We must move on from the Jurassic dark days of first past the post. Those days have gone and Labour Members must get used to that, move on and accept that the future is proportional voting because people's votes matter. That is where democracies around the world are going. It is time for hon. Members on the Labour Benches to accept that.

Ms Clark: In an earlier contribution, it was said that the Labour party introduced the voting system for the Scottish Parliament after many years of consultation in Scotland with a wide range of organisations. In the Scotland Act 1998, the Labour party was generous in the representation that it gave to other political parties and opinions. It could have gone ahead with proposals more akin to Labour's representation at Westminster. Does the hon. Member for Perth and North Perthshire (Pete Wishart) agree that in terms of political representation the Scottish Parliament represents Scotland and all its different views in a different way and that by having two sorts of MSP—

Mr. Martin Caton (in the Chair): Order. This is turning into a speech. Interventions should be short.

Ms Clark: I apologise, Mr. Caton. I will try to keep my point as short as possible.

One problem is that list MSPs do not have as big a job or as clear a role as constituency Members. Does the hon. Gentleman accept that that should be addressed?

Pete Wishart: I think the hon. Lady is on more solid ground. The point that I was making was that the Arbuthnott commission, the Scottish Office and the Labour party in Scotland went about their business in a different way from that of the Welsh Labour party, which simply imposed its view on an unwilling Welsh electorate. I congratulate the Government on the way in which they approached the matter and for making it cross-party, consensual and independent. That is why the report reached different conclusions from the provisions in the Government of Wales Bill.

On the hon. Lady's second point, I do not accept that there are two different classes of MSP. I observe hard-working constituency Members of the Scottish Parliament, just as I observe Members of the Scottish Parliament who do almost next to nothing, and I observe hard-working list Members and list Members who do almost nothing. The difference in class is the difference in the quality of work from Members of the Scottish Parliament. That is the only distinction.

The way in which Arbuthnott approached the matter was positive and I hope that we see more of that sort of thing. We should try to do things consensually and with cross-party representation in future because there are many things we can agree on. I agree with the remarks of the hon. Member for Glasgow, Central about proportional representation. There is growing consensus among some Labour Members, Liberal Democrats and Scottish National party Members about that, which could help to drive the matter forward, with a strong and vigorous case for proportional representation in future.

I know that hon. Members are disappointed. I could sense that from some of the interventions. The Labour

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party in Scotland did not get what it wanted from Arbuthnott, but that is just too bad. We did not get what we wanted, but we accept the report and all its conclusions and recommendations. The Labour party in Scotland should also accept it.

I know that the Labour party in Scotland is disappointed that Arbuthnott did not say something about dual candidacy. In fact, the report received the same evidence as the Labour party in Wales about dual candidacy, but came to a totally different conclusion about the operation of dual candidates for the Scottish Parliament. Arbuthnott said of dual candidacy that trying to stop constituency Members of the Scottish Parliament standing in the list would be undemocratic and would place an unnecessary restriction on the democratic rights of potential candidates and local electors to have as unrestricted a choice as possible.

Arbuthnott looked at other democracies with mixed member proportional representation and found that in some of those legislatures there was a requirement for constituency Members to stand in the list to try to improve the choice for voters. A theme that runs through the report is putting the citizen first, not Labour Back Benchers. That is why Arbuthnott came up with his conclusions about dual candidacy. He said that dual candidacy only presents a problem

> "to some people here because of the legacy of constituency representation within British political culture and the hegemony which this has secured for some parties."

He recognised that the first-past-the-post system has served some political parties particularly well over the past 100 years. That goes back to the point made by the hon. Member for North Ayrshire and Arran (Ms Katy Clark) that of course certain parties will do best. That suited the Labour party in Scotland for years and years, but does it suit the voter? I would contend that it does not. The voter wants to ensure that their vote matters. What is the point of voting in elections if they will only get a massive Labour majority once again? What is wrong with making votes matter and ensuring that the votes of those who elect a particular legislature are fairly reflected? Surely, that is a principle of genuine democracy.

I sat through some of the debate on the Government of Wales Bill. It was a shame that the Welsh people did not have the protection afforded by an independent commission looking into the issue. Instead, they had the straitjacket of the Welsh Labour party imposing its particular views.

I have heard some curious remarks about dual candidacy in the past year, and it is unfortunate that the hon. Member for Livingston (Mr. Devine) is no longer in his place, because I think that he referred to dual candidacy as an affront to democracy. I shall tell you what is an affront to democracy, Mr. Caton: hon. Members from Scotland deciding crucial votes in this Parliament in England, when the issues have nothing to do with us or the constituents whom we represent, and when we can never be held accountable or responsible. That issue will develop and gain strength in the next few months.

I do not detect that those who come to me are clamouring to talk about their concerns about different voting systems or about candidates for the Scottish Parliament standing on the list and for the region. What I do detect, however, is a grievance emerging down here in England about the role of Scottish Members of Parliament, and that must be addressed.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): I should explain that I did not hear the first part of the hon. Gentleman's contribution because I was attending the important debate in the main Chamber. As he will know, many Labour Members do not agree with some colleagues' arguments as regards dual candidacies. I am quite happy with what the Arbuthnott report says about the issue. However, rather than being an analysis of the Arbuthnott report, the hon. Gentleman's last point strayed into the world of sectarian politics. Do I take it from what he says that the SNP, having failed to persuade the people of Scotland that they want independence, has adopted a policy of getting the people of England to throw Scotland out of the Union as the second-best way of reaching its objective?

Pete Wishart: I did not know that that was the analysis, so I will leave that one firmly alone. However, like me, the hon. Gentleman probably saw the front page of the *Sunday Mail*, which suggested that a third of English people want independence for England. There are two reasons why that is happening—[*Interruption.*] I see the incredulity on the faces of the Minister and some Labour Back Benchers, but a third of English people now want independence for England. If the poll had happened 10, five or two years ago, a miniscule number of people would have supported independence for England. However, the number who do is growing and will soon become a majority, unless the issue is addressed.

Mark Lazarowicz: As a matter of fact, the proportion of people in England who say that they do not want to be part of the Union has not changed significantly over decades. There has not been a great increase in the figure, and the hon. Gentleman would have found that it was not particularly dissimilar 10 or 20 years ago, if my recollection of opinion polls and surveys is correct.

Pete Wishart: I am grateful for the hon. Gentleman's contribution, but in researching my speech—[Hon. Members: "Research?"] Believe me, it has been researched. In researching my speech, I tried to find polling evidence on that question, but I could not, so if the hon. Gentleman has any, I would love to see it.

Mr. Walker: As the only English Member of Parliament present, let me say that my postbag is increasingly full of letters from constituents who express concerns about the settlement with Scotland, so the hon. Gentleman might be on to something.

Pete Wishart: I am grateful to the hon. Gentleman. I am on to something. Two things are happening just now, and I am sure that you have detected this, too, Mr. Caton. One is that a new sense of English political nationalism is developing, which is a good thing. We saw that reflected in the use of England flags during the World cup. That development should be welcomed, but it is looking for a new type of representation, and it is unfortunate that the Conservatives have backed off from trying to represent such views. Having said that, I should add that I have no idea what Conservative policy is, although I am sure that we shall hear about it later from the hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell). A new, defined sense of English nationalism is emerging in the opinion polls.

The second thing that is happening is more disturbing. There is a growing sense of grievance in England, which we see reflected in several debates, including those that are taking place just now on funding issues. That is particularly true of the Barnett formula and the totally erroneous view that we in Scotland are subsidised to the hilt. English metropolitan commentators and Members believe that Scotland is somehow subsidised to the tune of—well, God knows what it is this week, but it gets more and more fantastic the more we look at it.

We also see this new development reflected in the way in which Scottish Members are looked at down here and in the way in which we are supposed to support a particular football team. All those things are coming together. However, the one thing that informs and defines the debate is the issue of Scottish Members' voting rights in this place. I am certain that the constituency postbag of the hon. Member for Broxbourne (Mr. Walker) will be full of letters about that, because I am seeing genuine concern about it down here. People recognise that the situation is unfair, and no democratic argument can be made—

Mr. Davidson *rose—*

Pete Wishart: Perhaps the hon. Gentleman will try to make a democratic argument for Scottish Members coming down here and voting on certain English measures.

Mr. Davidson: Will the hon. Gentleman clarify why he believes that the issue did not arise in previous years, when the same situation applied to Northern Irish Members? Why does he think that it is arising only now in relation to Scottish Members? Could it have something to do with the fact that the next leader of the Labour party, and the next Prime Minister, is from a Scottish constituency?

Pete Wishart: That might well be the case, but I cannot say why it did not arise in relation to Northern Ireland. All I know is that it is an issue now and a massive problem. It is the defining constitutional issue of this Parliament, and the debate on it will be had and will be concluded—it has to be, because the situation is just not fair.

Labour Members have tried to answer the West Lothian question. They say that we will somehow create two different classes of Members of Parliament, but as I said in an intervention, we are already two different classes, and hon. Members should get used to it. I have no say on education, health or criminal justice matters in my constituency, but the hon. Member for Broxbourne has a say on all those issues in his constituency.

Mr. Sarwar: The hon. Gentleman talks about two classes of MPs in the British Parliament, where all MPs are elected under the first-past-the-post system. However, in Glasgow, for example, we receive almost 200,000 votes, but we do not have even one list MSP in the Glasgow region. How can the hon. Gentleman justify that?

Pete Wishart: I did not create that system; it was the hon. Gentleman and his colleagues who put together the voting arrangements for the Scottish Parliament. I do not think that the system is perfect and I am not going to get into the business of defending it, because it is not my system—it is the system of the Labour and Liberal parties. On the hon. Gentleman's point, however, there are two classes of Members of Parliament, so the fact that some of us will somehow become a different class does not make any difference—we are a different class already.

Mr. Sarwar: Obviously, the hon. Gentleman is stressing the fact that there are two classes of MP in the UK Parliament. What is his message to the leader of the Scottish nationalists in the Scottish Parliament, who is a second-class MSP?

Pete Wishart: I do not want to debate classes of MSP, because that would not be particularly useful, and it would not help us. If we—[*Interruption.*] Well, I will answer that. If we become the Executive next year, which looks increasingly likely, we will seek to introduce the single transferable vote system. The hon. Member for Glasgow, Central thinks that that system is a sensible solution, and, indeed, it is the only sensible solution to the problem of ensuring that all Members of the Scottish Parliament are the same. It is the only solution that will work under the existing rules, which the hon. Gentleman and his colleagues created in the Scotland Act 1998. We tried to improve that legislation as it went through the House, but we are now stuck with the present system and we will contest things democratically and fairly in the way that the rules suggest.

When Labour Members do get into the business of responding to the West Lothian question, they say that it cannot be answered, because that would create more anomalies. It is the biggest constitutional issue that we have in this Parliament, but they say that they cannot answer it, because that would create further anomalies. That is not a very satisfactory response, and it will certainly go nowhere near dampening down the sense of grievance that is emerging on the issue.

Mr. Davidson: The hon. Gentleman raises the issue of anomalies, but is he aware that, some time in years past, the Educational Institute of Scotland held a demonstration at which the main slogan was "Rectify the anomalies", so the issue was capable of mobilising quite a number of people? Let me just point out to the hon. Gentleman that, by his logic, there are not just two categories of Member, but five. The Scots' position is different from that of the Welsh, whose position is different from that of Members from Northern Ireland, whose position, in turn, is different from that of English Members in London and other English Members. It is therefore false to say that there are two classes of Member; under the hon. Gentleman's argument, there would be five.

Pete Wishart: The hon. Gentleman is once again correct and perceptive. What is, then, the problem in creating another class of Members of Parliament, who

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do not get involved in voting on legislation that has nothing to do with them? If it is all right to have such different classes of Members of Parliament, let us have another, fairer, more democratic class.

I have been intrigued and fascinated in the past year because Labour Members have been telling the Conservative party that somehow it has been playing fast and loose with the Union, in trying to address the debate. I say that it is not the Conservative party that is playing fast and loose, when it tries to answer the West Lothian question. It is by refusing to answer it that my cause is helped. I believe passionately in normality and independence for my nation, so please do not answer the West Lothian question. You guys are helping my cause immensely by letting it sit and leaving it unanswered. All that you are doing is adding to the frustration of the constituents of the hon. Member for Broxbourne as well as the general frustration and sense of injustice down in this part of the country. In the end, not just 31 per cent., or a third, of English voters will want English independence; soon a majority will want it. If the question remains unanswered that is what will happen—but it will be addressed. It has to be. It is not fair or just. I think that everyone in this Room agrees that the West Lothian question will at some point have to be answered. The Scottish Affairs Committee did us a great favour by recognising that something had to be done. You gave us the four options.

Mr. Martin Caton (in the Chair): Order. The word "you" is back in the debate. Can hon. Members use the right form of address?

Pete Wishart: I am sorry. I take your rebuke seriously, Mr. Caton. The Select Committee did us a great favour by suggesting that the current arrangements were untenable.

The Parliamentary Under-Secretary of State for Scotland (David Cairns): The hon. Gentleman has praised highly Scottish Affairs Committee reports, but he has spent the past 19 minutes referring to a completely different report from the one that we are debating. Perhaps he could give us the benefit of his wisdom on the issues dealt with in this report, which is not concerned with the West Lothian question. That is covered by a completely different report. What does he think of the one before us?

Pete Wishart: I think that I have said that it is a good report, but we have had few opportunities to discuss these issues. We must acknowledge that the concern has been a pressing one and that the Select Committee did us a great favour by highlighting the four possible solutions to the West Lothian question. Of the four, only one would work. That must be independence and mutual self-respect for both nations. It is the only one that could work. All the other different responses would lead only to the anomalies that hon. Members have been wrestling with in the past few years.

The Conservatives have suggested certification. I think that that is this week's policy. I do not know if it is still a "constitutional abortion", as the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) called it. It is one solution that could possibly help, but there are still anomalies.

Let us consider the issue of tuition fees. The explanatory notes to the legislation refer to "England and Wales only", but the impact of tuition fees on Scotland is massive.

Mr. Sarwar: Is the hon. Gentleman aware that we are today debating the Arbuthnott commission report, and not the other one? He has spent 10 minutes praising the Arbuthnott commission report, but in the end has said that he disagrees about the list system and first past the post, as his preferred option, and supports STV. What is his position?

Pete Wishart: I accept the Arbuthnott commission's report and its recommendations. I think that I said that. It is a good report and its recommendations will help to deal with some of the issues that we confront. It is correct that my own position is to prefer the single transferable vote. That is what we would propose for dealing with some of the anomalies in the Scottish Parliament. I think that it would be the right approach, but I accept Arbuthnott and its recommendations. Some of the things that I have heard from Labour Members amount almost to rubbishing and disparaging Arbuthnott, and that does Sir John Arbuthnott and the people who served on the commission a great disservice. I wish that Labour Members would stop doing that, because it was the Scottish Labour party in particular that asked for, or demanded, the report, and said that something should be done. It must therefore accept the recommendations.

Mr. Davidson: Does the hon. Gentleman accept that many of us who wanted the issues to be examined recognised, as soon as we saw the membership and the remit, that the whole thing was rigged? Part of the remit of the Arbuthnott commission was to preserve the proportional balance of the Scottish Parliament. Given that starting point, the changes for which many of us would have argued were instantly ruled out. In those circumstances it was not possible for Arbuthnott to produce anything along the lines that many of us wanted.

Pete Wishart: That is the very point that I am making. That is where we start to criticise Arbuthnott, the process and the way that Sir John went about his business. I think that it is grossly unfair, and it is unfortunate that the hon. Gentleman says such things and feels that way. Obviously, the things he says are sincerely felt. I know that Arbuthnott came up with the wrong answer and conclusions for the hon. Gentleman and his hon. Friends. In some respects it came up with the wrong answers for me, too, but I accept it. I accept that the process was right, fair, appropriate and responsible, and I just wish that we could all say that there is something in Arbuthnott that will help to improve our democracy for the next election and the one after.

Mr. Davidson: I am sorry if I did not make myself clear. I did not suggest that Sir John, a man with more than 13 degrees, did not go about his business properly. The problem was that his business was rigged beforehand. With the mandate that he was given, he did his job perfectly adequately. However, the remit was so restricted by the requirement that proportional representation had to be maintained for the Scottish Parliament elections that an entire area that I, and many other hon. Members, would have wanted to investigate, was instantaneously ruled out. In those circumstances it is inevitable that we would be unhappy with the conclusions.

Pete Wishart: If it was rigged, it was rigged by the hon. Gentleman's hon. Friend, the Secretary of State, who set up the remit of the commission. The Scottish National party did not do it—the Secretary of State and the Scotland Office did it. There is no point in saying that it is an issue for me. The hon. Gentleman should direct his points to his hon. Friend, the Minister, and see what response he gets. He will I am sure do that when the Minister gets to his feet, but it is not an issue for me.

I realise that I have been speaking for some time, Mr. Caton, so I shall conclude. I have been disappointed by some of the remarks that have been made about Arbuthnott. The remarks that have been made along the lines of "an affront to democracy" about dual candidacy do hon. Members no favours. Arbuthnott looked at the issues in the cold light of day, independently and consensually, and drew his conclusions. The affront to democracy, as I have said, is our role here in this Parliament. That is what must be addressed—not the fables about dual candidacy. The real issue is the voting rights of Scots Members in this place. After the opinion poll and the evidence that a majority of people in Scotland favour independence, we are now edging forward to somewhere where both our nations will have mutual self-respect and normality and be good neighbours. England will lose its surly lodger and gain a good neighbour. That day is coming soon.

3.27 pm

Mr. Charles Walker (Broxbourne) (Con): Thank you for calling me to speak in this important debate, Mr. Caton. It is a great pleasure to be here this afternoon as the English Member of Parliament. I want to start by saying how much I enjoyed being a member of the Scottish Affairs Committee. I very much enjoyed the company of my colleagues, who are great men and women, and the chairmanship of our Chairman, a great man who is very fair in the way he allocates time to hon. Members. Before my opening remarks get too crawly, I want to conclude them by saying that I have a great love for Scotland. I go there on holiday every year. I know that that does not qualify me as a Scot, but I love it greatly; probably a little more than my wife, but she does not like the midges, for which I have a great affinity, as they do an important job.

Jo Swinson: Can the hon. Gentleman explain what good midges do?

Mr. Walker: Well, if you wear Avon Skin-So-Soft they leave you alone. The good thing about them, to get to the point of the hon. Lady's question, is that they keep a lot of other English people away from where I go on holiday in Scotland, so that there is more room for me and my family on the beach.

My constituents in Broxbourne are concerned about what they perceive as a democratic deficit between Scottish MPs, MSPs and, of course, their own representative and other English MPs. For example, let us take a well-worn cliché, the smoking debate. That was decided in Scotland by Scottish MSPs. Quite rightly, Parliament debated it in this part of the world, and Scottish MPs voted on a matter that related solely to England. I think that that applied to fox hunting as well.

The issue that concerns my constituents in Hertfordshire, especially in respect of the NHS, is that we face significant cuts and reductions in services. There is a financial crisis in my part of the world and it strikes my constituents as odd that their future health care could be subject to votes cast by Scottish Members of Parliament. It is a real concern, which needs to be addressed.

I am aware that Lord Forsyth had a fairly novel idea about how to deal with that; just get rid of all MSPs, all 129 of them. Some Labour Members might think that is a good idea, others might be appalled. We do not actually replace those MSPs. We would have Scottish Members of Parliament who sit up in Holyrood in Edinburgh debating and voting on Scottish issues on Monday and Tuesday—they can have my hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (Mr. Mundell) for those two days as well—and myself and my English colleagues can sit in England on Monday and Tuesday debating English matters. On Wednesday and Thursday we all get together to have a big old discussion on things that affect the Union. That seems to me to be a very sensible idea. If the Under-Secretary of State for Scotland does not think it is a sensible idea, I suggest that it is an idea worth considering; it has some merit.

David Cairns: Has the hon. Gentleman run that proposal past Annabel Goldie, and if so, can he tell us what her response was?

Mr. Walker: No, I have not, but I say to the Minister that I stand here today as a non-partisan member of the Select Committee on Scottish Affairs. I am speaking on my own behalf and on behalf of my constituents. If this is the end of my political career, I have enjoyed the last 19 months very much. I hope that this speech does not result in my being removed from the Scottish Affairs Committee and packed off to Ireland, because that truly would be a disaster—not that I have anything against Ireland; it is a wonderful country, but I have a greater affinity with Scotland.

There are other things that vex my constituents in Broxbourne—for example, the funding settlement between our two great nations. My constituents frequently write to me asking why we in the east of England get £5,800 per head in public expenditure, but in Scotland they get £8,200 per head. I do not want to make a partisan point because I have been to Scotland: I have been to the Shetlands, the Orkneys, the highlands and the islands and there are huge distances that need to be travelled. There are a range of issues that mean that Scotland, geographically for a start, is very different from the south-east and the east. But it would be useful if Parliament could have an honest and open debate without prejudging the findings as to the nature of the settlement between Scotland and England, perhaps for no other reason than to lance the growing discontent among my constituents. Perhaps there is a very, very good reason why Scotland gets more money, £2,401 per head more money than for the equivalent people in my constituency.

Pete Wishart: I cannot let the hon. Gentleman get away with that point. He knows, as I do, that the subsidy debate is a bit more complicated than that. When we are talking about the figures he mentioned, what we are seeing is identifiable spending. There is so much more unidentifiable spending—for example, money spent on the civil service in London and taxation from North sea gas and oil, which all has to be factored in. There is a massive debate to be had about who subsidies who.

Mr. Martin Caton (in the Chair): Order. I have allowed the debate to range very widely indeed, but we are straying a little too far from the subject we are discussing.

Mr. Walker: I agree with you, Mr. Caton. The hon. Gentleman makes my point for me. What we should not fear is having that debate. There should not be a conspiracy of silence between the Conservative, Labour, Liberal Democrat, and Scottish National parties as to why these differences occur. We should just have an open and honest debate.

I want to move specifically to the Arbuthnott report; that has brought a smile to the Minister's face. It is important that people know who represents them. In the south-east and east we have proportional representation for the selection of MEPs. There is absolutely no accountability. It used to be the case before that system was brought in that people had a vague notion who their MEP was. They knew who was representing them in Europe but now they have no notion at all. You could stop a thousand people in Broxbourne, Cambridge and so on and ask them who is their MEP and I doubt that one would have any idea, because there is no accountability.

I urge the Minister, when he is considering voting systems in Scotland especially for local elections, to think how important it is for people locally to know who their councillor is and to be able to put a name, a face and a party to that person. Although STV may have worked and probably does work at a national level in Scotland, taking it down to a local government level would be making things just a little too granular.

Jo Swinson: Does the hon. Gentleman have any multi-member wards in his constituency for local government elections and is that a huge problem? Does he therefore propose all single-member wards?

Mr. Walker: When the hon. Lady says multi-member wards, I think of wards with three councillors and mixed representation. Is that what she means?

Jo Swinson: Yes.

Mr. Walker: There are two cases in my constituency. The Rosedale ward is a multi-member ward. There is an outstanding councillor called David Lewis who is a Conservative, and a man who is a member of the BNP; I will work tirelessly to get rid of him. He is useless, our councillor is extremely good. I congratulate the hon. Member for East Dunbartonshire on allowing me to make that point.

There is also a mixed-member ward in Waltham Cross, where there are two Labour councillors and a Conservative councillor, but the way we do elections down south means that we have an election every year, so that only one person in each ward stands. People in Waltham Cross knew that this year they were going to the polls either to return a Labour councillor or to re-elect a Conservative councillor. They knew exactly who they were voting for, and which party.

Jo Swinson: The hon. Gentleman will be aware that that is not the case in all local authorities in England. In some areas they have a ward with three councillors who are elected once every four years. Is he proposing to change that system?

Mr. Walker: No, I am not proposing to change that system. There are various systems used in this country; I am speaking purely from my experience on what I believe works best. I believe that a single transferable vote in local government would create more confusion and as the turnout in local elections is getting lower and lower, it could push the turnout in the wrong direction rather than bringing it back in the right direction.

I conclude by apologising for my massive ramble across the sunlit uplands of the democratic system in Scotland and England. Thank you for allowing me to speak in this debate, Mr. Caton. I have probably said more than I should have done, so I will sit down.

3.37 pm

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): It is with some pleasure that I follow the hon. Member for Broxbourne (Mr. Walker) who gave us the very interesting notion that if you vote Tory, you get midges. At the last election, we said that if you vote Liberal you would get Tories, but that is a further variation on that theme.

It is also very interesting that the hon. Gentleman drew to our attention the fact that he loves Scotland more than his wife. I am not sure whether he loves Scotland more than his wife loves Scotland, or he loves Scotland more than he loves his wife. Perhaps he should clarify that before he goes home this evening.

Mr. Walker: I thank the hon. Gentleman for giving way. I love my wife very much; I love Scotland a great deal and I probably love being in Scotland more than she loves being in Scotland, although she, too, likes Scotland very much.

Mr. Davidson: Possibly on a future occasion we will hear the hon. Gentleman's wife's view of midges.

I am speaking in an Adjournment debate on the last Thursday of the Session, which the Government gave us as an alternative to a meeting of the Scottish Grand Committee. I am not sure that that option has been as successful as it might have been. Resurrecting the Scottish Grand Committee in order to have more regular debates on Scottish issues in Westminster is perhaps something that should be considered further.

I want to consider the question of Arbuthnott in the context of the points that I made earlier about it having been a fix from the very beginning. The results were determined by the make up of the commission, but in particular by the remit which ruled out any re-examination of proportional representation for the Scottish Parliament. If, during consideration of how to harmonise voting systems, one system cannot be considered, matters will be skewed towards a proportional bent. I regret that, and the way in which consideration was undertaken without proper debate early in the process. I worry that some people deliberately seek to drive a wedge between Westminster and Holyrood, accentuating not only disagreements but differences.

On boundaries, there would have been more opportunities to work with our Scottish Parliament colleagues had we shared the same or contiguous boundaries. Whether there were two Westminster Members to four Scottish Parliament Members, as my hon. Friend the Member for Glasgow, Central (Mr. Sarwar) suggested, or one Westminster constituency with two Members of the Scottish Parliament and a smaller number of top-ups, as others have suggested, we would work more closely than we do now in our devolved and disparate state. We must consider whose interests are served by driving that wedge between us.

I do not support the first-past-the-post system, but Professor Arbuthnott and his commission did not adequately address two issues that arise from the two-ballot system. First, that system creates two classes of MSP: the first-class MSPs from the constituency section, and the top-up MSPs, who regard themselves as second-class, because they spend so much time trying to become first-class MSPs.

I represented the parliamentary constituency of Glasgow Pollok until last year's general election, and I still represent a large chunk of it. Back then, it was noticeable that Johann Lamont, the Labour and Co-operative party MSP for that constituency, was frequently pursued by two list MSPs. One, Tommy Sheridan, was elected for the Scottish Socialist party. *[Interruption.]* It is noticeable that the very mention of his name brings laughter from all parties in this Chamber.

I should clarify "pursued". Mr. Sheridan sought regularly to attend the same meetings as Johann Lamont, and he presented himself as the MSP for Glasgow Pollok. Kenny Gibson, a list MSP for the Scottish National party and a councillor in part of the Glasgow Pollok constituency, also attended many meetings in the area, similarly presenting himself as the MSP for Glasgow Pollok. Mr. Sheridan and Mr. Gibson stood for Glasgow Pollok in the subsequent Scottish Parliament elections. I am glad to say that they were roundly defeated. However, they spent a long period trying to persuade the electorate that they were MSPs for that area. Few if any MSPs elected by first-past-the-post seek to become list MSPs, which indicates their priorities.

David Mundell: I do not understand the hon. Gentleman's point, which others make, too, because the Scottish Parliament has a corporate body on which the Labour party is represented. That body has made rules about how MSPs may act, but despite such concerns, it has not moved forward and the hon. Gentleman's Labour colleagues in the Scottish Parliament have not brought any pressure on the correct forum, the corporate body, to make clearer the rules about the roles of regional and constituency MSPs. Even without the Arbuthnott commission, if the Scottish Parliament were sitting, that could be done tomorrow.

Mr. Davidson: I understand that many of my Holyrood colleagues have made that point but have been unable to attain the satisfaction about the make-up and structure of the Scottish Parliament that they desire.

My second point about the two-ballot structure, which no one has touched on, is that in Glasgow, Labour votes in the second ballot are wasted. Labour is successful in the first-past-the-post section, winning 10 out of 10 seats last time, but it means that unless we get 135 per cent. of the votes in the second ballot, we cannot have anyone elected in the top-up section. If one knows that one's vote for one's first choice in the second ballot is not likely to succeed, the second ballot becomes second choice. That is ridiculous and anomalous and it ought to be addressed.

That situation does not apply in all parts of Scotland, however. I said that a Labour vote was effectively wasted in Glasgow, and some bad thinkers presumed that I meant that nobody should vote Labour in other parts of Scotland in the second ballot. My point does not apply in those circumstances, and I look forward to seeing Labour Scottish parliamentary candidates elected on the list in several areas. However, it undoubtedly applies in Glasgow. Any solution that fails to address that will fail to address one of the main issues.

Many of my constituents who vote Labour in the general election, the first ballots for the Scottish Parliament and the local authority elections have to opt for their second choice in the second Scottish ballot. They go in various directions. I regret that the issue has not been considered.

Pete Wishart: I hope that it will not be such a big issue in the next elections, as I predict that a number of Labour seats will fall in Glasgow during the great wipe-out that we expect next year. However, does the hon. Gentleman agree that the new ballot paper is helpful? It will specify the second vote first, and then the constituency candidate. Will not that assuage his fears about the second vote?

Mr. Davidson: If the hon. Gentleman assumes that the second vote will be first and the first vote second, will he clarify how it will make any difference to people casting their votes? They will regard the vote that they cast for the first-past-the-post seat, the first-class seat, as the most important. They will still have to choose where to cast their second vote, even though it might be first on the ballot paper. They will know, because we will tell them, that in Glasgow, there is no point voting Labour in the second ballot, so if they want their vote to count, they will have to identify someone else to vote for.

It is widely known that I was always in favour of the Co-operative party standing in the second ballot in parts of Scotland where it would have been beneficial. I am a Labour and Co-operative Member of Parliament at Westminster. It makes sense in such circumstances for the parties to run joint candidates. It would make equal sense in Glasgow to run separate candidates next time, with the Labour party not standing in the second ballot. The strategy might apply elsewhere, too. My main regret is that the issue has not been addressed.

[Mr. Davidson]

Arbuthnott ought to have considered other issues, too, such as the discrepancy in constituency sizes. The Liberals have an MSP elected for Orkney. Had the same number of votes been cast in East Kilbride for that Liberal candidate, he would have come not first, second, third or fourth, but fifth. It seems unfair that constituency sizes are skewed in favour of some areas rather than others. Arbuthnott ought to have examined the issue more carefully.

Jo Swinson: Does not the hon. Gentleman accept that in island communities such as Orkney, Shetland and the Western Isles, there are such different circumstances that it makes sense to create specific representation solutions not only for the Scottish Parliament, but for Westminster, where such solutions have existed for a long time, even if on the Scottish mainland there is greater parity?

Mr. Davidson: There are undoubtedly difficulties in those areas. I am not entirely sure how best they ought to be addressed, as two conflicting issues have to be dealt with at the same time. One is sparsity, rurality and so on, and the other is the question of equal votes of equal value. The two are clearly incompatible and the fact that Arbuthnott did not consider the issue at all seems to be a noticeable omission.

I recognise that those who represent scattered and widespread constituencies, if they were given equal numbers of electors, would certainly require additional resources to ensure that they could provide a decent service to their constituents. When the European Parliament was elected on a first-past-the-post basis, Dr. Ewing, who represented Argyll and the Highlands, if I remember correctly, was given a large amount of additional resources to allow her to travel though her constituency and to employ additional staff to serve that widespread area. I am not sure what exactly the balance ought to be, but it is undoubtedly an issue and it is to be regretted that the Arbuthnott commission did not examine it in any way whatsoever.

David Mundell: I am a little confused by what the hon. Gentleman is saying. The Arbuthnott commission addressed the issue of the number of representatives to geographical area. That was one of the reasons he gave in his evidence and in the report for not recommending the introduction of the single transferable vote across Scotland. The highlands and islands would have seen a reduction in the number of Members and Arbuthnott said in his evidence to the Committee that he thought that the geographical area that would have to be covered by those who were elected to represent the highlands and islands would have been too great. Although he did not consider the specific issue raised by the hon. Gentleman, he did touch on the issue when it came to suggesting a balance between geography and the number of elected representatives.

Mr. Davidson: Arbuthnott gave much more information on those issues when he met the Select Committee than he did in his report. It is noticeable that the issue is not pursued by the Liberals because they benefit from it. They constantly raise the issue of equal votes of equal value when it suits them, but they decline to do so when it does not. I see the hon. Member for East Dunbartonshire (Jo Swinson) is leaving; I would hate to think that I was driving her from the field by raising this issue, but I am sure that she will think about it and come back at some point.

It is regrettable that there are not more Members in the Chamber to debate the subject. I know that the issues have long been considered by many of my colleagues and the Minister might want to reflect on whether an Adjournment debate on the last sitting of Westminster Hall before the recess rather than a Scottish Grand Committee is the best way in which to deal with such matters.

3.52 pm

Mr. Alan Reid (Argyll and Bute) (LD): Thank you for calling me to speak, Mr. Caton. I apologise that I was not in the Chamber earlier, but I was serving in a Standing Committee that has only just finished. I am sorry that I missed the opening remarks.

I was certainly interested to hear the remarks of the hon. Member for Glasgow, South-West (Mr. Davidson); I agree with some and disagree with others. I was extremely interested by one of his remarks, which was his forecast that Labour would win seats on a large number of the regional lists next year. The only way in which that can happen is if the Labour party does extremely badly in the constituencies and will therefore—

Mr. Davidson: Can I point out to the hon. Gentleman that that is not true? We could win a large number of seats on the list for the south of Scotland, the north-east of Scotland or the north of Scotland through there being a swing to Labour in those areas. As well as holding on to the first-past-the-post seats that we have, we could gain seats by gaining more votes. It is entirely possible for us to gain more votes without losing first-past-the-post seats. I accept the hon. Gentleman's apology.

Mr. Reid: The hon. Gentleman knows perfectly well that the Labour vote will be on the way down next year. I notice, for example, that Lord Foulkes has put his name forward to top the Labour list in Lothian. He clearly wishes to be elected to the Scottish Parliament, and I think that even he would accept that the huge, astronomical swing to Labour that would be needed to win a seat on the Lothian list without losing any first-past-the-post seats would be simply incredible. The much more likely scenario is that the Labour party will lose several seats in Lothian, and that its vote will therefore fall so low that Lord Foulkes will be elected. Both the hon. Member for Glasgow, South-West and Lord Foulkes seem to be thinking along the same lines.

Mr. Walker: Does the hon. Gentleman believe that the vagaries of the Scottish election system baffle, bore or simply amaze the electorate in Scotland? It sounds incredibly complicated and pretty uninteresting to all but the few people present. That is a concern.

Mr. Reid: I suspect that it probably does all three. The hon. Gentleman makes a valid point, as the system is extremely complex. It is fairly straightforward to operate, as it is simply a case of putting a cross on two separate ballot papers. We believe the Scotland Office plan to make it one ballot paper next time and it would simply be two crosses on one ballot paper.

Mr. Davidson: It is two crosses, then?

Mr. Reid: Yes, that is right. It is simple for the elector to use but to explain the effect of their vote is actually quite complex. Basically, it is impossible to predict the outcome of their vote as party A might lose a constituency seat to party B, which could mean that party C would receive an extra seat through the list. The effects of the system are simply bizarre. In the west of Scotland region, for example, the Labour party won all the constituency seats in 1999 and lost one in 2003. If Labour were to lose more constituency seats, it would not gain corresponding seats on the list. However, the party that gained the corresponding seats on the list might be entirely different from the one that gained the constituency seats. The knock-on effects of parties losing constituency seats are impossible to predict.

Mr. Davidson: Does the hon. Gentleman accept that that makes the system, not only in Glasgow but in the west of Scotland, clearly absurd for Labour voters? It would be much better if, for example, the Labour party did not stand and the Co-operative party stood with its co-operation.

Mr. Reid: The hon. Gentleman is putting forward an interesting argument. Of course, because Labour wins eight out of the nine seats in the west of Scotland and has a low share of the vote, a lot of those seats are marginal. He might find that if he gave that advice to electors, the Labour party could lose a lot of the first-past-the-post seats and might need some of the votes on the list. It is impossible to predict what will happen. Advising people not to vote for a party on the list because it is bound to win too many constituency seats is a dangerous argument.

Mr. Walker: Is it therefore the case that people do not really understand the consequences of their actions when casting votes? If that is the case, surely it means that the system is fundamentally flawed because people cannot make an informed decision on how they cast their vote.

Mr. Reid: People certainly can make an informed decision about the effects of casting their vote as far as their constituency representative is concerned, but it is impossible for anybody to predict the effect of that vote on the regional list. Without knowing the outcome of every constituency seat in advance, it is simply impossible to work out the effect that their constituency vote will have on the top-up list.

Mr. Davidson: And the hon. Gentleman is in favour of that?

Mr. Reid: The hon. Gentleman has pre-empted the next part of my speech. I do not think that this is a sensible system. It has the advantage that it is close to being proportional, but I stress the "close to" because in both 2003 and 1999—in 1999, in particular—it gave the Labour party far more seats than it deserved according to its share of the vote. It got so many first-past-the-post seats that it received far more seats than it would have been entitled to by the number of votes on the regional list. It is not a proportional system and, although it is close and certainly a great improvement on first past the post, it has several defects. The first is that it is not proportional. Another is that it is impossible to predict the knock-on effect of casting a constituency vote. A third, as the hon. Gentleman described in his speech, is that although a small number of regional list MSPs carry out their duties conscientiously throughout their regional list area, it is my experience that the majority of them concentrate on one constituency and seek to become the constituency MSP for that area. Sometimes they try to become the MP for the constituency, as did Jamie McGrigor MSP, the regional list MSP who tried to become the MP for Argyll and Bute. However, I am pleased to inform the House that he failed miserably; in fact, his vote went backwards.

The fact that both Jamie McGrigor MSP for the Conservatives and Jim Mather MSP for the Scottish National party were both adopted by their parties to stand again in the Argyll and Bute Scottish parliamentary constituency shows the defects of the system. That means that they are concentrating all their efforts on that constituency. A failed Tory candidate, Mary Scanlon, former MSP, was supposedly a representative of Argyll and Bute but no one there had a clue who she was and we never saw her. Rob Gibson MSP is also supposed to be a list MSP but again not a single person in Argyll and Bute has had sound or sight of him. Put simply, list MSPs do not represent the whole of their list areas.

David Mundell: I see that Mr. Nicol Stephen is to top the north-east Scotland list, and that Mr. Mike Rumbles is second on that list. It would help the House and voters in the Scotland if the hon. Gentleman were to give a categoric undertaking that, if they are elected to the list, they will not focus their efforts on an individual constituency or area within the north-east of Scotland?

Mr. Reid: I can certainly give the hon. Gentleman the assurance that, in the unlikely event of Nicol Stephen MSP and Mike Rumbles MSP losing their constituency seats and being elected from the list, they will cover the whole area. However, I am sure that that hypothesis will not be tested.

The Arbuthnott inquiry was set up partly as a result of the fact that there would be non-coterminosity—a bulky word—in parliamentary constituency boundaries after the latest boundary review of Westminster seats. We have had non-coterminosity for a year, and it has not been a problem. Having MPs and MSPs representing constituencies with different boundaries has not caused a problem.

Arbuthnott decided that it would be best to align Scottish parliamentary constituency boundaries with local authority boundaries. It came up with the idea that the lists would make the Parliament proportional, and therefore it came to the conclusion—I believe it was flawed—that there was no need for constituencies to be of equal size. It therefore concluded that constituencies should be wholly contained within one local authority area, and came up with the strange formula of allocating constituency seats.

I must declare an interest. Arbuthnott came up with a flawed proposal for Argyll and Bute, whereby the Scottish parliamentary constituency would be the same as that

[Mr. Alan Reid]

for the council. It would therefore have an electorate of 68,000, compared with the national average of 55,000 and with only 35,000 in the compact constituency of Clackmannanshire. In the past, the assumption has generally been that scattered constituencies that include islands should be smaller than the average. Unfortunately, Arbuthnott recommended one constituency for an extremely scattered area that includes 26 inhabited islands, despite the fact that the electorate is 13,000 above the average and 30,000 above smaller Clackmannanshire.

That conclusion is flawed; it cannot be assumed that, because of the regional list, it does not matter that constituencies are not of a similar size. People deserve to be able to see their MSP regularly, and having a constituency of 68,000 over a scattered area would mean that the MSP would be able to meet his or her constituents much less regularly than in small, compact Clackmannanshire.

Mr. Walker: For the sake of those not acquainted with the geography of Scotland, would the hon. Gentleman tell us what is the reach of those islands—from where in the south to where in the north?

Mr. Reid: The constituency extends from the Mull of Kintyre in the south to the Isle of Coll in the north. It is about halfway up the west coast.

The Arbuthnott proposals are flawed. I recommend to the House that the Government should instead adopt the single transferable vote system. I know that Arbuthnott recommended that system for European elections. I am certainly in favour of it. The Scottish Parliament is adopting that system for local council elections, and it would make sense if the Scottish Parliament elections are held on the same day that it should use the same system.

The single transferable vote has several advantages. It is a proportional system that allows a direct link between the elector and the elected representative. Unlike the closed lists used for the European elections or for the regional ballots used in the Scottish parliamentary elections, STV would allow the elector to vote directly for the elected representatives. It therefore means that they could directly choose their elected representatives without any of the bizarre knock-on effects of the constituency vote on the regional list of which we spoke earlier.

Another advantage of the single transferable vote is that the constituencies can be of different sizes yet still maintain the same ratio of electors to elected representatives. If the natural boundaries of an area were of a size to justify five elected representatives, five people would be elected by STV for that area; if the natural boundaries were such that four elected representatives would be right, we could have four. We could still maintain the link with local authority boundaries as proposed by Arbuthnott yet avoid the situation of wildly fluctuating numbers of electors per elected representative. It would certainly satisfy the requirement that each vote should be of equal value. Another advantage is that there would be only one class of elected representative; rather than having two separate categories, as we do now, every one of them would be equal.

The single transferable vote system would satisfy all those criteria and have none of the disadvantages of the present system. I urge the Government to adopt it for future elections to the Scottish Parliament.

4.9 pm

Jo Swinson (East Dunbartonshire) (LD): I thank all hon. Members who have participated in the debate. Like so many Scottish debates, and like Scottish questions, it has been lively and interesting. A great deal of expertise and consideration has gone into the Arbuthnott report; it was a thorough process. I congratulate the Select Committee Chairman, the hon. Member for Glasgow, Central (Mr. Sarwar), and the Committee members. I am not a member of the Committee, but I have read the evidence transcripts. They flagged up some interesting points, which were highlighted in the report and some of which were brought to our attention this afternoon.

I welcome many of the recommendations in the report, starting with the focus on community boundaries for elections. In general, it is a helpful step in the right direction, but as my hon. Friend the Member for Argyll and Bute (Mr. Reid) said, a focus solely on local authority boundaries can bring with it problems, not least because of the sheer number of voters represented. He outlined the issues for Argyll and Bute, and I would draw attention to my part of the world, East Dunbartonshire. It is one fairly small local authority but, because it has 80,000 electors, it is proposed under Arbuthnott's recommendations that it would have two Members of the Scottish Parliament. Next door in West Dunbartonshire, which is not much smaller with 68,500 electors, there would be only one. A lot of people would see that great difference as something of a problem.

We must remember that there has been a lot of local government reorganisation over the years. Let us hope that the Scottish Executive do not have the appetite suddenly to do it again. It has meant that community boundaries are not always the same as local authority boundaries. Areas in different local authorities but close together can have an affinity and share similar issues, whereas areas in the same local authority are often very different and face different challenges.

I welcome the recommendation that there should be greater clarity in the regional vote and particularly the moves to redesign the ballot paper, which have also been proposed by the Secretary of State. It will make things clearer for voters, which is particularly important considering the new voting systems that have been put in place in Scotland in the past few years. Making it as simple as possible for people to exercise their democratic right is vital.

I also welcome the move towards an open-list system for the additional list members, which will give power to the people and take it away from the party hierarchies, which currently decide who is to be at the top of the list. Different parties have different ways of setting the order of their lists; in my party everything is democratic and decided by single transferable vote. I understand that other parties have moved towards allowing every member in an area to vote on the matter, but that still means that a fairly small section of an area's electorate—those who are members of a particular political party—decide the order. There are many cases in which the wider electorate might want to choose a member who is further down the list. I welcome the suggestion, as I hope other hon. Members will.

Mr. Davidson: Does the hon. Lady recognise that one of the problems with that system, admirable though it might be, is that in reality members of the same party will end up fighting each other for their core vote? Rather than a political ding-dong between parties and a clash of ideas, elections under an open-list system might well be transformed into some sort of personal beauty contest.

Jo Swinson: I certainly do not want that to be the outcome, but a bit of healthy competition even within parties can be an excellent tonic. It is clearly important that political ideas are discussed in election campaigns, but there might be differences of opinion even within political parties, and voters might prefer to choose a particular candidate who is on one ideological wing of a party. That could mean that we get more debate on the issues.

Mr. Davidson: On the point about allowing different ideological perspectives on the same list, is the hon. Lady not aware that in the past the Conservative party has not allowed people with different ideological perspectives to be on the same list? That has certainly been true in European elections. I am sure that my own party would never consider doing anything like that, but there are bad people who have suggested it.

Jo Swinson: I cannot answer for the Conservative party, nor would I attempt to figure out the bizarre structures by which it decides such things, particularly when it comes to Europe. It is difficult to keep up with where it is on that issue this week.

I welcome the recommendation to introduce the single transferable vote for European elections. I was pleased when proportional representation was brought in for those elections, but dismayed that the type of proportional representation was the least good sort. It gives maximum power to party bosses and minimum power to the voters. Voters do at least get a crop of MEPs more representative in political affiliation, but they do not get to choose who their representative should be. That decision is made by party hierarchies. A move towards single transferable vote for European elections would help to solve that problem.

I am sure that we all welcome the recommendation in the report to move towards e-counting for the next elections. It will be helpful considering the complexities of counting in the list and constituency system, but it must be implemented properly, with testing before the election. I have slightly more reservations about e-voting, because we must ensure that any security issues are properly dealt with. As we move into the 21st century, it is reasonable to suggest that we should not keep exactly the same method of voting that we had in the 19th.

Mr. Walker: If the hon. Lady treasures democracy as I do, does she not think that it is not unreasonable to expect people once a year or once every other year to get off their backsides and walk 500 yards or drive a couple of miles to the polling station? E-voting has the potential to dumb down the voting system.

Jo Swinson: The same arguments could be made for postal voting, which has been opened up in recent years. There have been concerns in some cases about security and fraud, but some people find it difficult to vote because of the lifestyles that they lead. I am sure that we have all knocked on somebody's door and found that they have left the house before 7 o'clock in the morning and are not getting back until after 10 o'clock at night because of work commitments that they did not know about in time to request a postal vote. If we are to allow postal votes, it is reasonable to extend the process.

Mr. Walker: We argue too often about today's lifestyle. I am pretty sure that our parents, grandparents and great-grandparents worked a great deal longer and harder than we do for a great deal less. I am slightly suspicious about the lifestyle argument and the idea that we are all so busy. In fact, we are probably sitting down at the pub or in a restaurant when we should be casting our ballots.

Jo Swinson: I am not sure what the hon. Gentleman does, but there are cases in which somebody can reasonably argue that they cannot get to the polling station. We all accept that that is true in cases of infirmity and medical conditions. If we are to allow voting by post, in the 21st century it is worth considering other options if the security issues can be covered. I make that incredibly important caveat.

I do not think, by the way, that e-voting is some kind of answer to making participation easier. I do not by and large buy the argument that people do not vote because it is too difficult. As politicians and members of political parties, we have a great responsibility to reach out and engage more with electors, which we do through election campaigning and through our roles as elected Members. That is how to raise turnout.

The report's recommendation for better education and information about voting systems is important. I have the benefit of having chosen to study modern studies at school, which gives an excellent introduction to all the different voting systems. In many schools, students must make a choice between history, geography and modern studies, so not everybody gets the opportunity to study such matters. We must ensure that, through citizenship education, all young people have the basic information to know how the political system operates.

David Mundell: I am sure that the hon. Lady is going to mention it but, in case she is not, I ask her for clarification on where she and her party stand on the local government elections under STV being held on the same day as the Scottish Parliament elections.

Jo Swinson: The hon. Gentleman pre-empts me; I shall indeed come to that very point.

I move on to some of the issues that hon. Members have raised. The hon. Member for Glasgow, South-West (Mr. Davidson) raised the matter of coterminous boundaries, as did my hon. Friend the Member for Argyll and Bute. It is perhaps not fully addressed in the report, and I argue that there is confusion among voters about their representatives. Many people come

[Jo Swinson]

to my surgeries and wait for some time if it has been a busy day, and then I find that I am not their MP. When there are different constituencies for MSPs, it can be difficult to keep up.

I am in a special situation, because three constituency MSPs cover my area and my constituency falls across two regions of the Scottish Parliament, which gives me an additional 14 MSPs as list members. Can anyone else in the Chamber beat having 17 Members of the Scottish Parliament representing part of their constituency area? Perhaps there should be a prize.

I accept that, in respect of the report, it is not always possible to balance coterminosity with making sure that community boundaries are adhered to and that there is general equity in the numbers elected across different seats, although I would argue that special consideration should be given to particular island and sparse communities. Although confusion results from the current boundary differences, there is not necessarily a simple option, unless—as I shall go on to say—we move to a single transferable vote system.

The hon. Member for Glasgow, South-West mentioned the remit of the Arbuthnott report. He suggested that the fact that it started from the position that there should not be a degree of proportionality in the Scottish Parliament was a major problem. However, my memories of when the Scottish Parliament was envisaged and set up are that it was to represent a different type of politics. That was part of its attraction.

The Parliament works differently in a lot of ways—its procedures, its openness to the public in respect of petitions, its hours and its accessibility. It has also tried to make sure that its Members can lead a reasonable family life, at least if they live within the central belt, although I accept that things are more difficult for those representing further-flung areas of Scotland.

The Scottish Parliament has been designed as a more consensual Parliament. Seating in the Scottish Chamber is in the shape of a horseshoe, in contrast to the combative arrangement in Westminster. People who have visited the Scottish Parliament know that the contrast to Westminster is stark. Here, everything is dark and there are lush carpets; the Scottish Parliament is light, airy and feels very modern. *[Interruption.]* I appreciate that the building has caused some controversy and that not everybody is a fan of it, but it has a very different feel, consistent with the type of democracy that was envisaged. The Parliament's consensual nature relies to an extent on a proportional system, which enables and requires parties to work together on different issues.

Mr. Walker: Does the hon. Lady not believe that robust debate is the essence of democracy and allows us to get to the core issues of interest to the public?

Jo Swinson: I have no problem whatever with robust debate, but occasionally it is perfectly in order to agree. Robust debate does not always mean the political bun fighting that we see here in Westminster; sometimes, our constituents get turned off politics because of the behaviour in the House of Commons. I am always slightly distressed that the bit of Parliament broadcast most often is the half-hour slot of Prime Minister's questions, which, although incredibly entertaining, does not necessarily paint us in our best light.

I disagree with some parts of the report—particularly the findings, to which the hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) referred, on decoupling at the elections. I am glad that the Scottish Executive have indicated that local and Scottish parliamentary elections will be held on the same day.

My concern with decoupling elections relates primarily to turnout. Back in 1995, turnout for local government elections was 45 per cent. When those elections were held on the same day as those for the Scottish Parliament, turnout increased to 59 per cent.; in fact, turnout for the local elections was 1 per cent. higher than that for the Scottish Parliament elections. In 2003, the figure for local elections dropped back slightly to 49 per cent., but that resulted from a general drop in turnout and it was still significantly higher than in 1995. I worry that turnout might drop if we held the elections on a different day.

David Mundell: I am confused, and not for the first time. The hon. Lady's argument on turnout is precisely the opposite of one made by her colleagues in the Scottish Parliament on the introduction of the single transferable vote. I was a member of the Committee that considered that issue; we were told that the Scottish electorate would be so galvanised by the introduction of the single transferable vote that they would turn out in their droves at local government elections held under that system. Is it not the reality that she—and, unfortunately, Labour colleagues in the Scottish Executive—is frightened of having Scottish local government elections on a different day because they know that STV will be a damp squib that will not return hundreds and thousands of people to the polls?

Jo Swinson: I certainly think that making every vote count would be an additional incentive for people to go to the polls. I am sure that the hon. Gentleman is as concerned about turnout as I am, and that he would not decide to settle on only one solution to try to increase turnout. If there were other ways of doing it, he would surely embrace them as well. That is why I think that holding elections on the same day, in addition to STV, makes sense.

Mr. Walker: I am intrigued. Why does the hon. Lady think that turnout for local council elections in Scotland is so much higher than for those in England? We are lucky to get 32 per cent. or 35 per cent. in England, but the hon. Lady was talking about well over 45 per cent. in Scotland.

Jo Swinson: Indeed, the turnout in Scotland was 45 per cent. even in 1995, before the elections were held on the same day. I am not sure why; perhaps people in Scotland are more politically aware. We always hear from Conservative Members that the UK is being ruled by a Scottish raj; perhaps Scottish people are intrigued by politics. However, that may not be the case. Interesting research could be done on that issue.

David Cairns: The hon. Lady is straying into giving ammunition to an argument of which she should really steer clear. She compares turnout of 45 per cent. in 1995 with the 32 per cent. of the most recent English local elections. However, I remember campaigning vigorously in the English local elections of 1995, and there was a very high turnout. One cannot compare one election with another that happened 10 years later.

While I am on my feet, may I ask whether the hon. Lady believes that it is axiomatic that the very fact of having an STV election will mean a higher turnout? If she does believe that, how does she explain the low turnout for the European elections under STV—I mean the proportional system?

Jo Swinson: The Minister makes my point; the European elections are not held under the STV system. I have pointed out that I do not think that the European election system is a great system of proportional representation, although it is better than the first-past-the-post system because it allows more proportionality.

Pete Wishart: Is the hon. Lady saying that people would turn out to vote if we replaced the d'Hondt system with an STV one? Does the d'Hondt system explain why an extra 100,000 or 200,000 people do not come out to vote? Is she saying that people are abstaining from casting a vote in a democratic election for a Member of the European Parliament because they do not like the d'Hondt system and prefer an STV one? Does she seriously expect us to believe that?

Jo Swinson: There are many reasons. People do not necessarily deliberately abstain in a European election; in 1999, the turnout was 24 per cent. or 25 per cent. For many reasons, such elections are not much covered by the media. However, as a general rule, the more people feel that their vote counts, the more likely they are to vote. In the same way, there is often a higher turnout in marginal constituencies because the parties campaign more vigorously and people see that their votes are more likely to make a difference.

Pete Wishart: Is the hon. Lady contending that there is a hierarchy, that under first past the post people do not feel that their votes count, that the d'Hondt system is more proportional so people will feel that their votes will count more and that STV is the better system, under which people's votes absolutely count? If that were the case, one would expect turnout for Westminster elections to be lower, turnout in elections under the d'Hondt system to be higher and turnout in the STV local council elections next year to be the highest of all. May I wager with her that that will be the opposite of what will happen?

Jo Swinson: That is far too simplistic. There is a hierarchy, and STV brings about the best situation. However, I do not propose STV mainly as a way of increasing turnout, but for reasons to which I shall come in a second.

Pete Wishart: Glasgow, in which there are massive Labour majorities, has among the lowest turnouts in the first-past-the-post-system because people know and feel that their votes do not matter. There are massive Labour majorities, so what is the point in voting? Of course, there would be an increase under proportional representation in such constituencies.

Jo Swinson: The hon. Gentleman makes an excellent point. There are issues with the European elections. Although a benefit of proportionality is introduced, there is the disbenefit of the parties still having a lot of control and voters not getting to choose individual candidates, although they like to make that choice. My solution would be to move to STV. Various arguments are made against that, among which is one that the Scottish people will be unable to work out the different systems if elections are held on the one day. However, the systems are fairly simple in respect of voting.

Obviously, as a Liberal Democrat, I am interested in constitutional affairs, voting systems and so on. However, I appreciate that I am not necessarily representative of the population. However, people do not need to understand exactly how quotas are calculated or how many excess votes will be transferred for candidates to meet their quota and be elected or to be eliminated, nor do they need to get down to 1.26 of a vote going one way or another. People do not need to know any of that to cast their vote under the single transferable vote system. They only need to be able to rank the candidates in order. We rank things in order all day, every day, filling in surveys and making choices as consumers.

David Mundell: Yes, but the hon. Lady is making a spurious argument. The point about ranking candidates on the same day is that on one ballot people are asked to place an X and on the other they are asked to write 1, 2 and 3. We have clear evidence from elections in Northern Ireland—I had the opportunity to see the count in the last Assembly elections—of large numbers of people who understood that they had more than one vote but who, despite 20-odd years of operating that system, put two Xs on the ballot paper, making it invalid. Even if we accept the argument for STV, which I do not, what can be the purpose of holding such an election on the same day if—as was again shown in the London mayoral elections—having two separate systems exposes us to the risk of a disproportionately large number of people spoiling their ballots?

Jo Swinson: Northern Ireland holds first-past-the-post elections and STV elections on the same day, but the number of spoiled ballots is not dramatically high, at 1.4 per cent., which is only slightly higher than the figure for the equivalent elections in Scotland. However, that is of course a good argument for having strong educational programmes and ensuring that the information is available. That issue is also an argument for another point—which the Arbuthnott report should have addressed—in relation to holding STV elections for the Scottish Parliament too, which would be a simpler and better solution. Many hon. Members have referred to that, which would clearly help the situation. Indeed, I welcomed the comments that the hon. Member for Glasgow, Central made in opening the debate in support of STV for the Holyrood elections.

[Jo Swinson]

My hon. Friend the Member for Argyll and Bute outlined some of the advantages of that system, which I shall run through. It would give voters more choice, making the list open, so that they could choose which candidates they wanted, rather than that being decided by party hierarchies. Those who were elected would also be more representative of the population, because there would be a degree of proportionality, which would be an obvious advantage.

STV for the Scottish Parliament would also mean that a constituency link would be retained, even though the constituencies are larger. One of the arguments that is often made against proportional systems is that multi-member constituencies ensure that Members still have a responsibility to, and a link with, their constituencies. If voters have a problem, they can also decide which Member to go to. I am sure that all hon. Members in the Chamber are assiduous in dealing with their constituents' concerns, but someone living in a constituency where the MP is a bit rubbish at dealing with concerns does not have much choice. As we all know, because of the protocols, if a constituent from another constituency asks us to help them, we are constrained from doing so. With multiple Members in a constituency, if one of them does not give help, somebody else can be approached for assistance.

Multi-member constituencies also give voters the chance to support different parties if they so choose. We all campaign in elections, telling people to use their votes for the Liberal Democrat, Conservative, Labour or nationalist candidates, depending on the individual concerned. However, some voters out there do not have such party loyalty—we are probably in the minority in that regard—and would perhaps like to support a particularly assiduous local councillor, even though they did not like their party, and express further preferences in support of different parties. Multi-Member constituencies would give voters more choice over the type of representatives that they end up with.

Multi-member constituencies would also encourage more diverse candidates, and therefore elected representatives. For argument's sake, if a party fields three or four white male candidates in a constituency, it will be quite obvious that it fields candidates who are all the same. I am sure that we would all agree that there is not enough diversity in this place, of gender, ethnicity and so on.

David Mundell: I do not know whether the hon. Lady is aware of the evidence that was given to the Scottish Parliament's Local Government and Transport Committee on the matter, which demonstrated that where proportional systems and the STV system had both been used, there was absolutely no impact on the gender balance within the Parliament concerned. Australia is a good example of that. Subsequently, those arguing the case, at least on that point, had to drop it, because the argument is totally spurious. As my party has recognised, a party's internal procedures determine who goes forward on behalf of that party. The electorate do not use proportional systems to change that.

Jo Swinson: The hon. Gentleman might have evidence that he can point to, but in my experiences of counts—particularly in multi-member wards in the recent local elections, in which not many female candidates stood—voters have clearly made that choice, perhaps voting for a woman from one of the parties, alongside other candidates. People do distinguish. Multi-member elections would also force parties not to put up slates of candidates who are very similar in their backgrounds, the way that they look and where they come from.

David Cairns: Will the hon. Lady not accept that that is precisely what her party does and what my party does not do? She has been railing against manipulation by party hierarchies, as an argument against the closed-list system, but she cannot produce any evidence to refute the point that was made by the hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell), who is actually half right in this instance. Is not the benefit of our system that parties can actively and positively promote gender balance in lists, by having male and female candidates, twining constituencies and so on? Those are all positive steps that the Labour party has taken, which is why we have a far better gender balance, both in the Scottish Parliament and here, whereas the hon. Lady's party talks a good game and appeals to *The Guardian*-reading classes in its rhetoric but, when it comes to making tough decisions on such matters in its internal party structures, it flunks it every time.

Jo Swinson: I refer the Minister to his party's record in local government in Scotland, which, at 20 per cent., is appalling. All the other parties—even the Conservative party and the SNP—manage one quarter and my party manages about 30 per cent. The difference is that my party manages to do that through supporting and mentoring positive action measures, yet without resorting to positive discrimination. I accept that that might be the only way to achieve gender balance in the Labour party, but there are alternatives.

David Cairns: What is the hon. Lady going to do about it?

Jo Swinson: My party has structures in place and I am involved in those. One third of our new MPs in the previous election were women, which was a great step forward for our party. I agree that there is more to do, but what I am proposing could help us to do that.

Mr. Martin Caton (in the Chair): Order. We are again moving off the subject. I recognise that the hon. Lady has given away a lot, but she has now spoken for nearly 29 minutes, which means that the other Front-Bench spokespeople will have less time than she has had, so it would be useful if she could try to bring her comments to a conclusion.

Jo Swinson: Thank you, Mr. Caton. I have outlined the arguments for the single transferable vote, particularly the fact that every vote counts. When we have disengagement from the political process, it is important that we encourage parties to campaign across the country and across constituencies, not only in those few marginal constituencies, to maximise their vote share. The STV system would engage people and ensure that more people went out to vote, which is what we all want.

There has been some discussion in this debate about English votes for English MPs. That is not really the subject of the debate, but to respond briefly, the issue requires some discussion, although the suggestion from Conservative Members would not work. Apart from anything else, power is currently devolved to the Scottish Parliament, not ceded, which means that different constitutional difficulties would arise. Indeed, it would be unfair to impose a de facto English Government and English Parliament, meeting on Monday and Tuesday, as the hon. Member for Broxbourne (Mr. Walker) suggested, without allowing the English people a democratic vote on that in a referendum. Obviously the nationalists have a consistent stance on the issue, with which I disagree.

The issue needs some discussion; in fact, my party suggests a constitutional convention, to see how devolution can evolve. Devolution is a process that has not come to an end, and we need to continue to work out how best to represent the needs of voters and put citizens first.

4.39 pm

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): I hope that you have found this an enlightening debate on matters Scottish, Mr. Caton. I have three things to declare. First, I was a witness to the Arbuthnott commission and therefore get a mention in the report in that, as a Member of the Scottish Parliament, I proposed a Bill to split the local government and Scottish Parliament elections, for reasons that I will come to.

Secondly, I was a Member of the Scottish Parliament for the South of Scotland region. We have heard much talk about the roles and responsibilities of regional MSPs. I want to touch on that, but most of all I proudly wish to declare that I voted against the introduction of the single transferable vote in the Scottish Parliament—sadly, along with only two Labour MSPs—and in the coming months and next year, the logic of doing that will be clearer than ever. I am afraid that, during the contributions of the hon. Members for Argyll and Bute (Mr. Reid) and for East Dunbartonshire (Jo Swinson), I was no more convinced of the case for the single transferable vote, particularly in the context of the contribution of the hon. Member for Argyll and Bute. I recall Argyll and Bute council telling a Scottish Parliament Committee that it would be a disastrous system for Argyll and Bute, given the island communities and its geography, but it was not listened to.

Much of Sir John's work would have been unnecessary if the Scottish Conservative party's view had been followed and the provisions of the Scotland Act, which were argued for on the Labour Benches and which we favoured, had been upheld and the size of the Scottish Parliament had been reduced to 108 Members, in line with the changes proposed by the Boundary Commission. Although Government Members have suggested different numbers for the make-up of the Scottish Parliament, I hope that at least some of them will accept that 108 is a workable number. Indeed, some have suggested that, if there were fewer MSPs with more focus on their duties within the Scottish Parliament, Members might not perceive that they were interfering so much in their constituencies.

If we had stuck with the original proposals, we would have had a workable solution. However, we are where we are. We heard no apology from the hon. Member for East Dunbartonshire for what the Liberal Democrats brought upon us, particularly in relation to the STV local government elections. I deeply regret that Scottish Labour did not withstand that pressure and vote those proposals down.

Jo Swinson: I am certainly offering no apology. I am just delighted that the hon. Gentleman is giving us the credit for introducing fair votes for local government.

David Mundell: I am delighted to ensure that everybody in the Scottish borders, in particular—and in Argyll and Bute and rural Scotland generally—knows that it was the Liberal Democrats what done it, because they shall find that they are losing their community's local councillor and, instead, going into some large, amorphous mass with another community. The hon. Lady will, perhaps, come to understand that community is important in rural Scotland.

As ever, I was interested in the contribution from the Chairman of the Scottish Affairs Committee, who is a thorn in the side of the Government. That is always an important role for the Chairman of such a Committee and, as my hon. Friend the Member for Broxbourne (Mr. Walker) said, he has the complete confidence of Committee members, because we know that he will not hold back in relation to his ministerial colleagues.

I am disappointed that some hon. Members have said that there are two classes of MSP, because that permeates and reinforces the impression that some parties have tried to create. It is bizarre that hon. Members can bandy words about two classes of Members of Parliament at Westminster and regard it in a "shock horror" way, and then blithely say that there are two classes of MSP in the Scottish Parliament. It is a fact of the additional member system that there are constituency and regional MSPs with different roles. That has advantages—everybody in Scotland has a Conservative MSP to represent them, which is a significant advantage—but there are disadvantages as well.

Mr. Sarwar: I am grateful for the hon. Gentleman's kind remarks and for those of the hon. Member for Broxbourne, but I am not sure whether they will be regarded as complimentary on this side of the Chamber or whether they will credit or discredit me here. The hon. Member for Perth and North Perthshire (Pete Wishart) has made a serious accusation that Labour Members are playing party politics. Let us consider the facts. If we had a first-past-the-post system in Scotland, we would have a two-thirds majority and the Conservatives would not have 18 Members of the Scottish Parliament—they would probably be lucky if they had two or three; the Scottish Green party currently has seven Members, but it would have none; the Scottish Socialist party has six Members, but it would have none; the Scottish Senior Citizens Unity party has one MSP, but it would have none; and the Scottish nationalists, who have 27 Members, would be lucky if they had 10. How can the Labour party be accused of playing party politics?

David Mundell: I accept that, although sometimes the tone of such statements is as though they are coming down from on high. The Labour party has

[David Mundell]

accepted that it would have fewer representatives in the Scottish Parliament than if other schemes had been adopted, but that does not mean—as it has become clear in the debate—that there are not others in the Labour ranks who would like to change that.

I am disappointed that the hon. Member for Central Ayrshire (Mr. Donohoe) is not with us today; I understand that he is looking at voting systems in the Cayman Islands. His proposal would effectively give Labour a double majority and we would have a Ceausescu-type Parliament, with 100 or so Labour Members and half a dozen others. That is unacceptable to the people of Scotland.

The devolution settlement was voted on in the context of proportionality, which is why I disagree with the hon. Member for Glasgow, South-West (Mr. Davidson) about the remit. It would be unfortunate to accuse the Minister and the First Minister of trying somehow to rig the outcome of the report. Proportionality is one of the founding principles in the initial period of the Scottish Parliament—however long we regard that as being.

Mr. Davidson: Let me clarify why the hon. Gentleman believes that the proportionality element of the devolution settlement was sacrosanct, yet the proposal embodied in the referendum scheme—that the number of seats should reduce for the Scottish Parliament in line with the Westminster reduction—was not given equal status and also maintained. Why did his party pick one and not the other?

David Mundell: I think that there is some confusion, because I supported the Scotland Act 1998 and think that the seat changes should have been followed through. It is clear that a significant number of people supported devolution in the referendum knowing that the Labour party would not be guaranteed to run the Scottish Parliament indefinitely.

I agree with the hon. Member for Glasgow, Central about the single vote, which would simplify the system and be readily understandable. Rather than get involved in the debate that we touched on about whether the second vote is first or the first vote second—I think that you understand the complexities of that, Mr. Caton—and how the names should be arranged on the ballot paper, and whether they should be adjacent or whether the logo and box should be on one side, we could set all those arguments aside by having a single ballot paper. That would also help to avoid confusion about the second vote. There is no doubt that many people understand the second vote to be a second choice somehow and worth less than their original vote, so there is confusion.

I completely reject the arguments put forward by the hon. Member for Livingston (Mr. Devine) in his interventions that people who are not elected by the first-past-the-post system are somehow losers who are then elected in another way. Similar arguments were, unfortunately, voiced during many of the debates on the Government of Wales Bill. I accept the legitimate argument that we want a first-past-the-post system rather than PR, but people must accept that if we move to PR, we will move away from the traditional system of having winners and losers. It is as simple as that. I shall not repeat the quote from the Arbuthnott report that the hon. Member for Perth and North Perthshire read out setting out the reasons why that should not be split, although it was the one sensible contribution that he made to the debate. I do not know why Scottish Ministers have held firm on that, but I commend them for doing so rather than going down the spurious and unhelpful route taken by the Welsh Assembly.

As my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) has pointed out, the Labour party plays fast and loose with the old winners and losers argument. Indeed, the lady who lost the Blaenau Gwent seat in the general election has been appointed to the House of Lords and will now be able to legislate on behalf of Wales. I do not recall, from my days in the Scottish Parliament, the chant of "loser" coming from the Labour Benches when Mr. Peter Peacock—the Labour MSP and Minister for Education and Young People—or Maureen MacMillan, stood up. I shall be pleased, therefore, if the commission's report has done nothing more than put that idea to rest.

I shall draw the contributions of the hon. Member for Perth and North Perthshire to the attention of many of my colleagues, but not for the reasons that he hopes. He let us into the secret that he and his colleagues are whipping up English nationalism. My hon. Friend the Member for Broxbourne mentioned the BNP; I think that the nationalism argument goes in the direction of the BNP, which is most unhelpful.

Pete Wishart: We are straying into some unsavoury territory. There is nothing wrong with recognising the new positive English nationalism that has emerged, particularly in the past few months. That can be completely disassociated from all the horrible racist nonsense that comes from the BNP. Even the hon. Gentleman, down here, must recognise that a big cultural debate is going on, which is starting to be reflected in a very positive English nationalism. I recommend that he read some of Billy Bragg's words on this issue. I am sure that he would find them worth a read.

David Mundell: What I will find worth while is what my colleagues and I will be doing in the coming weeks: clearly making the case for the Union, particularly from an English perspective. We have to do that because legitimate issues have been raised by constituents of my hon. Friend the Member for Broxbourne. Those issues must be addressed in a civilised and forward-looking way.

David Cairns: Perhaps the hon. Gentleman can enlighten us about something. A few Sundays ago, the shadow Secretary of State for Constitutional Affairs, the hon. Member for North-East Hertfordshire (Mr. Heald), told the nation, via *The Observer*, that it was the firm intention of the Conservative party to use one of its Opposition debates before the recess to air precisely this issue. Why did not the Conservatives do that?

David Mundell: My hon. Friend has many responsibilities, but it is not for him to determine which subjects are put up for Opposition debate.

David Cairns: The hon. Gentleman accuses his hon. Friend of making a gaffe in a national newspaper, but how serious a gaffe was it? Was the shadow Secretary speaking off brief, flying a kite or simply getting it wrong? Did he not consult the hon. Gentleman? Why did the shadow Secretary make the gaffe of assuming that he had the power to say when debates on this issue would be held? What penalty will he pay for that appalling gaffe?

David Mundell: There was no appalling gaffe. As the Minister knows, there are usual channels and processes by which the subject of debate is determined.

Mr. Walker: Will my hon. Friend give way?

David Mundell: No, I think not at this stage.

David Cairns: Give way.

David Mundell: I am sure that the Minister has an open line to the Leader of the House and the Chief Whip, and has the remit to debate any subject that he likes in Government time.

David Cairns: Will the hon. Gentleman give way?

Mr. Martin Caton (in the Chair): Order. Can we get back to the subject of the debate please?

David Mundell: Thank you, Mr. Caton.

My hon. Friend the Member for Broxbourne also mentioned Lord Forsyth, who, I know, particularly enjoys being mentioned in the Scottish Parliament. I am sure that he will be pleased to have been mentioned in today's debate. His idea is interesting, but times have moved on; it does not commend itself to me.

Lord Foulkes has been mentioned. I think that we would all welcome his presence in the Scottish Parliament, as he would bring a unique perspective. I understand, however, that Labour constituency candidates are telling voters that if they do not vote for them, they will get George in the Scottish Parliament. I think that that might have the desired effect.

I would rather have heard an apology than what we have heard from the Liberal Democrats. The case for STV was not made. Indeed, the hon. Member for Argyll and Bute confirmed why even Lord Jenkins described STV as being opaque. That is exactly what it is in terms of the detail.

Pete Wishart: What does the hon. Gentleman think the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) meant when he referred to the constitutional policy of the Conservative party as "a constitutional abortion"?

David Mundell: We have just been told that we must not discuss issues that are not the subject of the debate. However, knowing my right hon. and learned Friend as I do, I am sure that he will fully explain his views on Scottish constitutional matters in great detail over the weeks and months to come.

I was interested in the views of the hon. Member for East Dunbartonshire on the Scottish Parliament and its different style to Westminster. She obviously has not read any of the speeches of her colleague Tavish Scott. His touchy-feely approach to his opponents would go down well in the most aggressive of debates.

I am concerned about local government and Scottish Parliament elections being held on the same day, and have repeatedly raised that issue. I am particularly concerned that I am not aware, as a voter in Scotland, of any voter education programme having been carried out. I am slightly older than the hon. Lady and therefore was not party to modern studies classes on the subject, but I would wager that if we were to walk down Argyle street in Glasgow and ask people what they thought the STV was, they would tell us that it was a television station. That is the reality.

Mr. Walker: If one were to ask most people in my constituency what STV was, they would tell us to go to see the doctor and to take some penicillin for it.

David Mundell: Just as one would for midge bites.

More urgently needs to be done to address the issue of the lack of understanding of the STV system. One single thing could be done—and this is where I reject the Secretary of State's response at the recent Committee meeting. It is an interest of his, because he is responsible in respect of the Scottish Parliament elections being on the same day as the Scottish local government elections. He should bring what influence he has to bear on the matter. He told us that he was in regular text contact with Jack McConnell. He could send Jack a text now saying, "Stop this lunacy. Step back from having these two elections on the same day." It is not too late to do that.

If the argument of the hon. Member for East Dunbartonshire is right—I disagree with it, but let us put it to the test—that STV will increase voter turnout, why are people afraid to have the elections on separate days? The evidence is there in the Arbuthnott commission's comments about the London mayoral elections: muddling two systems on the same day leads to a much higher proportion of spoilt ballots. We all talk about the difficulty of getting people out to vote. It is ridiculous that when we do, hundreds of thousands of people's votes are rendered invalid. That is what happened in the London mayoral and Assembly elections. There is no excuse for carrying on with this situation, and I make a final call to make progress on the matter.

I have always argued, interestingly, that we need to have a better definition of the role of regional MSPs. That is a difficulty within the Scottish Parliament. As I said in my comments to the hon. Member for Glasgow, South-West, in the Scottish Parliament, Labour has not taken that issue forward. Its Members of this House have said a lot about that issue, but within the Scottish Parliament it has not got a grip of it.

The other sensible thing said by the hon. Member for Perth and North Perthshire was that the contributions of Members of the Scottish Parliament, particularly regional Members, vary enormously. Some people go round vast regions, but others do not. There is no clear guidance on the issue. It is hypocrisy to suggest that if other parties were in a different position, they would not do some of the so-called "shadowing", because clearly they would. We need the Scottish Parliament to have clear guidelines about what regional MSPs are expected to do. That could be addressed tomorrow without any legislation or difficulties. If I recall it correctly, if the Conservatives and Labour on the Scottish Parliament's corporate body were to combine, they would have a majority.

[David Mundell]

I have made the argument against STV. The AMS has a lot of issues with it and we have touched on those. I am not particularly in favour of open lists, because they are not the panacea that is presented by the hon. Member for East Dunbartonshire. The evidence from Australia demonstrates that when people have the choice either to select from an open list or just vote for a party list, more than 90 per cent. of people vote for the party list. In countries such as Finland, which have open lists, certain people tend to be elected. This is not a direct criticism, but one of Finland's MEPs is a famous rally driver and another was involved in the modelling industry. The downside of the open list is that it can play to the cult of celebrity.

In conclusion, the commission has highlighted the issues. To some extent, and this is one point on which I might agree with some Labour Members, some of the issues were ducked because they are difficult. I am confident that the Minister, as ever, will demonstrate his leadership on them. I would be particularly pleased to hear him say that he is bringing influence to bear to decouple the elections and that we will have a single vote in next year's Scottish Parliament elections.

5.5 pm

The Parliamentary Under-Secretary of State for Scotland (David Cairns): May I welcome you to the Chair, Mr. Caton? It is a pleasure to serve under your chairmanship today. I sincerely hope that today's proceedings will not have put you off Scotland for a long time. The picture we have given of midges, warring politicians, list MSPs wandering around cherry-picking and all the rest of it might not have presented you with our finest face, but I am sure that you have similar little local difficulties in Welsh politics, too.

This debate has been another opportunity. We have had a number of parliamentary opportunities to discuss and debate the findings of the Arbuthnott report; in fact, we had an Adjournment debate in Westminster Hall on its findings before it was published, and there was a debate in the House of Lords 15 minutes after it was published.

I want to say something clearly from the outset: the report came out in January, and in the normal course of events it would have been the Government's firm intention to respond to it and to give our views definitively on its recommendations by now. However, we became aware that the Select Committee on Scottish Affairs was holding an inquiry into the report, and obviously it would not have been appropriate to bring out our response before that. As the only recommendation from that Committee was that we have a debate on the issue, it would again not have been appropriate for us to bring out our response, particularly as it requested us not to do so until this debate took place.

I announce today that that sequence means that we will not be bringing forward our definitive response to the report until early in the next Session. It has been important to have these issues aired and debated, although the vast majority of the past two and a half hours has been spent debating things that are not in either the Arbuthnott report or the Select Committee's response to it. I am sure that we will return to some of these other issues at a later date when we respond to the most recent report by the Select Committee on the Sewel convention.

The hon. Member for Perth and North Perthshire (Pete Wishart) said that there had been some traducing of Sir John Arbuthnott and his commission. He has not heard it from me—he will not do so—or from the previous Secretary of State, who commissioned the report, or from the current Secretary of State. I wish to take this opportunity to put on record the new Secretary of State's gratitude to Sir John and the members of the commission for all the hard work they have done throughout the 18 months of their inquiry and for their wide-ranging report.

We have only to glance at the lists of witnesses and meetings, and to consider the focus groups and the work done on the internet, to realise that this was a very serious commission, which did a serious piece of work and brought forward many recommendations. Not all of them are for us in this House; some of them are for the Scottish Parliament and others are for the Scottish Executive or the Electoral Commission. It is for others to come forward with their responses to the recommendations as and when. I know that the First Minister has written to Sir John thanking him for the recommendations, particularly those that fall within his sphere of responsibility.

As has been said by several speakers in the debate, the commission was set up in the middle of 2004 by the previous Secretary of State, my right hon. Friend the Member for Edinburgh, South-West (Mr. Darling), following the decision taken by this Parliament on the reduction in the number of Scottish MPs and subsequently the retention of the original size of the Scottish Parliament, and the decision by the Scottish Parliament to introduce the single transferable vote for Scottish local government elections in May 2007, of which we have heard a great deal today. The remit was to examine the consequences of having four different voting systems in local and parliamentary elections in Scotland and different boundaries between Westminster and Scottish Parliament constituencies.

The Chair of the Scottish Affairs Committee, my hon. Friend the Member for Glasgow, Central (Mr. Sarwar), outlined some of the issues on which the commission was asked to make recommendations. They were to bring forward proposals on the arrangements between elected representatives and to report on electoral boundaries, the relationships with other public bodies and authorities—that has not come up in the debate today—and the method of voting in Scottish Parliament elections.

There are 24 recommendations in the report. I do not propose to go through all of them today because some are not for this House to adjudicate on but are for other bodies. The main recommendations include retaining the current mixed-member system for electing the Scottish Parliament, but with reform of the open lists, and basing constituency and regional boundaries for the Scottish Parliament on local authority areas rather than Westminster constituencies, with the regions revised better to reflect natural local communities. The most recent revision of Westminster constituencies had as one of its two yardsticks the degree to which the new constituencies were based on local communities and local authority boundaries, with the result that my constituency is now exactly coterminous with my local authority, so harmonisation along the lines that Sir John and his commission advocated may already be under way.

The commission also made a clear recommendation that candidates for election to the Scottish Parliament should not be prohibited from standing in a constituency and on the regional list. There was a call for clearer and more defined and delineated roles for constituency and regional MSPs which, from my reading, mirrors closely the same delineation proposed by Roy Jenkins in his report in 1998 on, as you will remember, Mr. Caton, possible voting reforms for this House. He recommended broadly similar delineation of the roles that new regional MPs could take and I noted with interest that it was roughly similar to the conclusions that Sir John arrived at in his report. As the hon. Member for East Dunbartonshire (Jo Swinson) said, there was also a recommendation that the single transferable vote system should be introduced for European parliamentary elections.

The way in which the commission went about gathering evidence was exemplary and difficult to fault in any way. The report is complex and political. It is difficult to think of something that interests politicians more deeply than the way in which we are elected and the systems under which we operate. The commission operated in a highly complex and political area and it is clear from the report that there was not unanimity in all the recommendations. The commission did an exhaustive job, not least in putting all the current relevant issues on the table and allowing them to be debated here in Parliament today.

As the Secretary of State said at the time of publication, we had not reached a conclusion on a number of the recommendations because we wanted to hear what was being said in debates such as this one today. However, he said clearly at that time that because of where the date of publication fell in the parliamentary calendar it would simply not be possible to forward any of the recommendations that require primary legislation before the elections in 2007.

Those elections are complicated. The system for administering any election is complicated, but, as there was a brand new system for local authority elections under STV in Great Britain and an ambitious Electoral Administration Bill going through Parliament—I am pleased that it received Royal Assent a few days ago—to bring forward new ways of conducting elections and new rules for electoral registration officers and for joint valuation boards in Scotland, it was simply not practical to introduce primary legislation to implement any of the report's recommendations. That was clear from day one and I do not think anyone has gainsaid that. Some of the issues that we have discussed—for example, dual candidacy, which would require an amendment to the Scotland Act 1998, and moving the day of the Scottish Parliament elections, which is also fixed in the 1998 Act—were never going to be enacted by 2007 because they required primary legislation.

However, one issue that does not require primary legislation, to which several hon. Members have alluded, and on which we are moving forward on other recommendations by the commission is the decision on the layout of the ballot papers for the Scottish Parliament elections next year. That was precipitated by a number of factors. First, we are introducing STV, which is a novel system that requires us, as those who write the rules by which elections are administered, to ensure that we have the greatest possible clarity for the people who will take part in it. Because of the decision to have STV, it has been confirmed that we will move to e-counting. A great deal has been said about that during the debate. Great care is required to ensure that the ballot paper can be read by the machine. Because of those twin impetuses—should that be "impeti"?—it was logical and compelling to look at the ballot papers for the Scottish Parliament elections and we can do that absum primary legislation. That consultation is under way. It closes in early August and we shall bring forward some firm proposals towards the end of that month.

It was always clear that any recommendation requiring primary legislation would not be enacted before 2007. That also means that there has been no urgent rush to introduce definite conclusions in the Government's response. However, it should not be assumed that because we have not introduced proposals to implement recommendations before 2007 that is off the agenda for all time and will never happen. We made it clear that we would not do anything before 2007, but that should be not understood as meaning that we will not do anything after the 2007 elections.

David Mundell: What does the Minister anticipate his reaction would be if there were a request from the Scottish Parliament to change its voting system to the single transferable vote after the Scottish Parliament elections next year?

David Cairns: It would be for the Scottish Parliament to bring forward such a recommendation to this House and for the House to make such a decision. However, obviously we would have to bear in mind the fact that Sir John Arbuthnott does not make such a recommendation. He does not recommend, as some thought he would and to the disappointment of those who genuinely and legitimately favour the single transferable vote, that that course of action should be followed for the Scottish Parliament. It is entirely for the Scottish Parliament to make that recommendation to this House if it wishes to do so, but the method by which the Scottish Parliament is elected is a matter reserved to this House. I would not wish to pre-empt the decision that the House might wish to make.

David Mundell: For clarity, we have it on the record that Mr. McConnell does not have the capacity to offer the Liberal Democrats the single transferable vote as a system of election for the Scottish Parliament in negotiations over the formation of a Scottish Executive next year.

David Cairns: I am not entirely sure for whose benefit such a matter has been put on the record, because it is blindingly obvious to anyone with even a cursory, passing acquaintance with the Scotland Act 1998 that it is for this House to decide how the elections to the Scottish Parliament should take place, and what should be the shape of the Scottish Parliament and the voting system under which that election should take place. I am happy to have it on the record, but I cannot imagine that it will come as a surprise to anybody, because it has been the case since the Scotland Act was passed.

Mr. Alan Reid: The Minister said that it is the right of this Parliament to determine the electoral system for the Scottish Parliament. Will he give me an assurance today that it is, and will always remain, the Government's policy that whatever electoral system is used for the Scottish Parliament the seats allocated are roughly proportional to the votes cast?

David Cairns: I am being invited to speculate on the outcome of a request, which may or may not happen as a result of some negotiations that have yet to occur following an election that has not even happened yet. I hope that the hon. Gentleman will forgive me for regarding that as one hypothetical question too many.

The Scotland Act is entirely clear; it was born out of the discussions of the Scottish Constitutional Convention that took place for many years and to which his party was an honourable participant, with my party, the trade unions, the Churches, civic society and all those who had Scotland's best interests at heart. It was a source of great regret at the time, and it remains so, that two parties refused to take part in the constitutional convention: the Scottish National party stood on the sidelines moaning and whingeing because, given the opportunity of engaging in a debate and actually having some influence, it chose to stand to one side, and the Tory party, which was dead agin the whole notion of devolution from the start and opposed it tooth and nail. It is now embarking on a policy choice that will inevitably lead to the break-up of the United Kingdom. As I said in Scottish questions last week, I well understand why the Scottish National party supports that as it is in its interest to make Parliament unworkable, to create multiple categories of MPs from Scotland, from Wales, from Northern Ireland and from London.

Where will it end? I firmly wager that, once we have multiple categories of MP, those living in the countryside in farming communities will ask why people in towns and cities are voting on agricultural matters that do not affect them. People living in fishing communities will ask why MPs in land-locked constituencies are voting on issues that do not affect them—

Mr. Walker: Will the Minister give way?

David Cairns: I will give way in a second. In a unitary country we have a unitary Parliament where every hon. Member has the right to vote on whatever legislation happens to come before them. Once that principle is breached—it is the policy of the hon. Gentleman's party—it will lead to this Parliament becoming unworkable, which will lead to the inevitable breach of the United Kingdom.

In all seriousness, I appeal to those Conservatives who consider themselves Conservatives and Unionists to rethink that policy and go along with the reservations expressed by the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) and the hon. Member for Woodspring (Dr. Fox). The *Daily Mail*, for goodness sake, is saying that the Tory party should think again; Peter Oborne is saying that the Tory party should think again. The hon. Gentleman should listen to his friends.

Mr. Walker: We did warn that devolution would put the Union under stress. Does the Minister not think that it is unjust that Scottish Members of Parliament can vote on matters to do with the NHS, for example, that relate purely to my constituents in England? That seems terribly unfair.

David Cairns: The hon. Gentleman gave the very interesting example in his speech of the smoking ban. He seemed to be suggesting that Scottish MPs had voted on a discrete Bill. It was not; the smoking ban was a measure contained in the Health Improvement and Protection Bill, which had lots of clauses that applied in Scotland. His proposal is not English votes for English Bills, because not even his party could certify that Bill as an England-only Bill. It was a clause within a Bill.

Mr. Sarwar *rose*—

David Cairns: I will give way in a moment. Not only will we have multiple categories of MP voting on different Bills under the hon. Gentleman's proposal, but if we take the smoking ban as an example there will be multiple categories of MP, some voting on some clauses of the Bill and some voting on other clauses—because the smoking ban in that Bill does not apply in Northern Ireland, they would have to vote on different clauses.

Can the hon. Gentleman accept that in attempting to answer what he perceives to be an anomaly in the West Lothian question, the solution he proposes can be graphically described as a constitutional abortion, although frankly I think that phrase is infelicitous? He picked the example of the smoking ban, which was a measure that applied only to England in a UK Bill, and that further demonstrates—

Mr. Walker: It was still part of the Bill, which was a crummy Bill in the first place.

David Cairns: I believe in a unitary Parliament and believe that every MP has a right to vote on whatever legislation is before them.

Mr. Martin Caton (in the Chair): Order. If the hon. Member wishes to make a point he should intervene properly.

David Cairns: The Health Bill did not apply only to the hon. Gentleman's constituency—he is plain wrong on that as it did not simply apply to England. Under proposals announced by the Tory Party democracy commission—whoever thought we would hear those words in the same sentence—the certification of Bills would not have applied to that particular piece of legislation and clauses and amendments would have had to be certified. The hon. Gentleman may shake his head, but that is the simple fact. He brought up the example of the smoking ban, which is part and parcel of a wider Bill that did not apply only to England.

Several hon. Members *rose*—

David Cairns: If my hon. Friend the Member for Glasgow, Central will forgive me, I cannot let him intervene and respond. I will finish shortly so that he can have three minutes to respond to the debate, as is his right as author of the report. The Government have not arrived at any firm conclusions in response to the recommendations of the report, other than the one that can be activated in the absence of primary legislation, as I mentioned earlier. Indeed, we will be having a separate consultation on that.

I would like to take this opportunity once again to thank Sir John and the commission for their work. They have greatly advanced the argument and early in the next Session the Government will introduce a definitive response to the Arbuthnott report.

5.27 pm

Mr. Sarwar: With the leave of the House, Mr. Caton. In reference to comments made by the hon. Member for Argyll and Bute (Mr. Reid) about coterminus boundaries. I believe that I have had a different experience in my constituency and in Glasgow where people are really confused about boundaries. I am glad that the hon. Member for East Dunbartonshire (Jo Swinson) shares that opinion. The issue of coterminus boundaries has to be addressed.

I do not think that the Minister has touched on the issue of dual candidacy. It is very confusing for the electorate when a candidate who is defeated in the first-past-the-post system then becomes a Member of the Scottish Parliament. I have experienced that in both my present and previous constituency of Glasgow, Govan where the leader of the Scottish National party was defeated twice by the Govan electorate and then became the MSP for Glasgow. That is confusing for the electorate and needs to be addressed.

The hon. Member for Perth and North Perthshire (Pete Wishart) made the point that the Labour party is playing politics, and I know that anyone who lives on this planet or in Scotland has realised that the new system introduced for elections to the Scottish Parliament has benefited every political party in Scotland at the expense of the Scottish Labour party. I do not understand how the hon. Gentleman can make that allegation against the Labour party.

I genuinely believe that STV in Scotland for elections to the European Parliament would increase the turnout—

It being half-past Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.